THE PHOENIX MILLS LIMITED

Corp. Office : Shree Laxmi Woolen Mills Estate, 2nd Floor,
R.R Hosiery, Off. Dr. E. Moses Rd. Mahalaxmi, Mumbai - 400 011
Tel: (022) 3001 6600 Fax : (022) 3001 6601
CIN No. : L17100MH1905PLC000200

Date: August 9, 2016

To,

The General Manager
Department of Corporate Services - Listing Department
BSE Limited,
P. J. Towers, Dalal Street
Mumbai – 400 001

The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051

Ref: The Phoenix Mills Limited (503100/ PHOENIXLTD)

Sub: Intimation of Book Closure and Annual General Meeting

Dear Sir,

In terms of Regulation 30, 42, 44 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please be informed that:

- The 111th Annual General Meeting (AGM) of the Company will be held on Thursday, September 8, 2016 at 3:30 P.M. at Indian Merchants' Chamber, 4th Floor, Walchand Hirachand Hall, Churchgate, Mumbai – 400 020.

- The Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 2, 2016 to Thursday, September 8, 2016 (both days inclusive) for the purpose of AGM and determining shareholders' entitlement to the proposed final dividend for the financial year ended March 31, 2016, subject to the shareholders' approval at the aforesaid AGM.

- Final Dividend on equity shares, if approved by the members at the AGM, will be paid on or before 30th day from the date of declaration to those members whose names appear:

  - As beneficial owners at the end of business day on Thursday, September 1, 2016 as per lists furnished by NSDL and CDSL in respect of shares held in dematerialised form.

THE PHOENIX MILLS LIMITED 462, SENAPATI BAPAT MARG, MUMBAI-400 013

THE PHOENIX MILLS LIMITED

Corp. Office : Shree Laxmi Woolen Mills Estate, 2nd Floor,
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Tel: (022) 3001 6600 Fax : (022) 3001 6601
CIN No. : L17100MH1905PLC000200

- On the Register of Members of the Company at the end of business day on Thursday, September 1, 2016 in respect of shares held in physical form.

➢ The Company has provided its members the facility to exercise their vote at the aforesaid AGM by electronic means (e-voting) on all resolutions set forth in the notice to those members, who are holding shares either in physical or in electronic form as on the cut-off date i.e. Thursday, September 1, 2016. The e-voting will commence on Monday, September 5, 2016 at 9.00 A.M. I.S.T. and will end on Wednesday, September 7, 2016 at 5.00 P.M. I.S.T.

➢ Notice of AGM and Annual Report for the FY 2015-16 are being sent to the shareholders through email/post.

We are enclosing herewith the Notice of AGM and Annual Report of the Company for the financial year 2015-16.

Kindly take the same on record.

Thanking you,
Yours faithfully,

For The Phoenix Mills Limited

THE PHOENIX MILLS LIMITED 462, SENAPATI BAPAT MARG, MUMBAI-400 013.

Puja Tandon
Company Secretary & Compliance Officer

CC:-

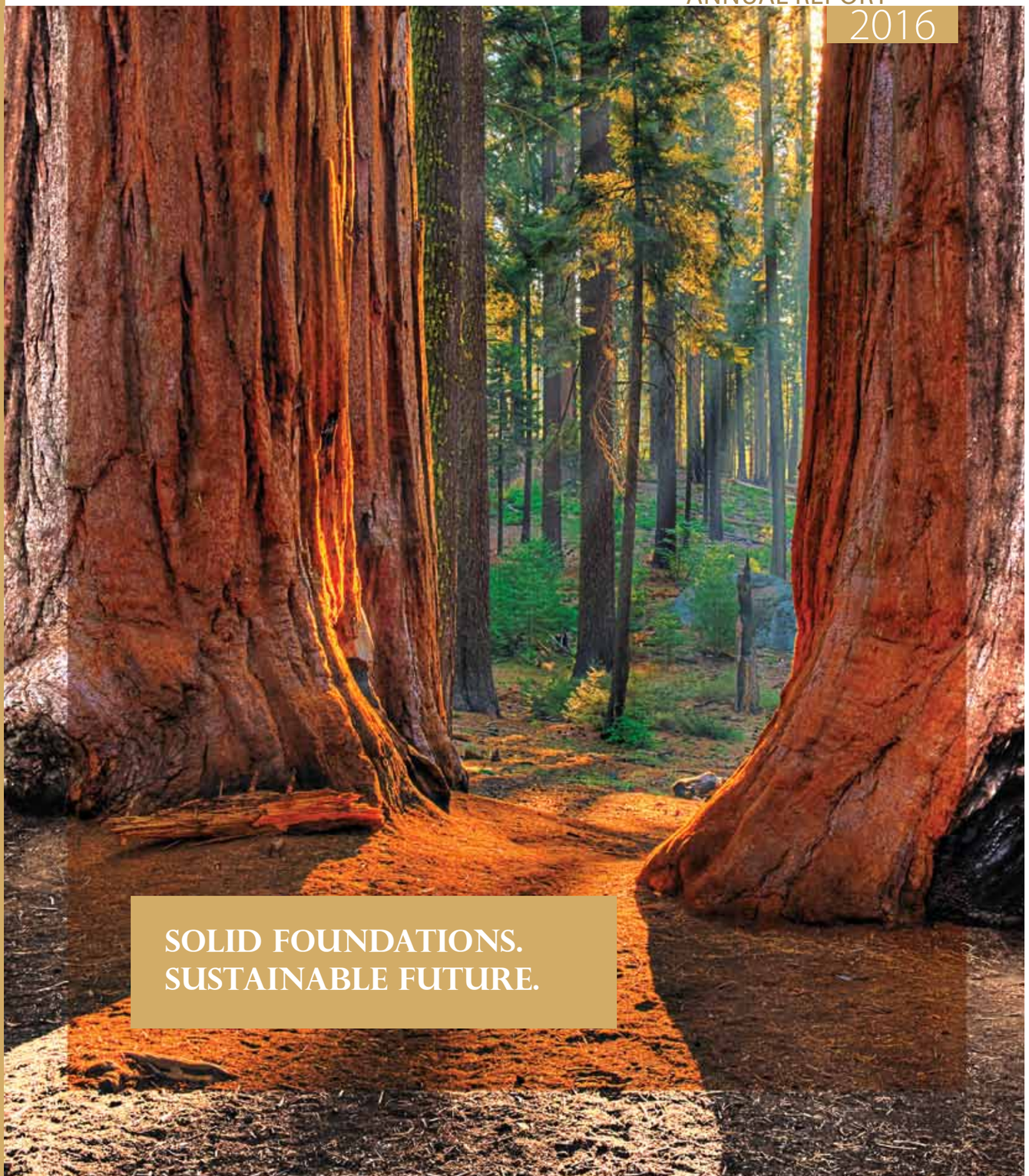
1. **Central Depository Services (India) Ltd., 28th Floor, P J Towers, Dalal Street, Fort Mumbai – 400 023**

2. **National Securities Depository Limited, Trade World, 4th Floor, Kamala Mils Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013**

3. **Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078**

THE PHOENIX MILLS LIMITED

ANNUAL REPORT 2016



SOLID FOUNDATIONS. SUSTAINABLE FUTURE.

OUR VISION

To create shareholder value by generating exceptional yields from the capital growth and sale of architecturally superior, difficult to replicate assets, that are truly world class in quality and infrastructure.

To create a superior business environment for our many local and international retailers and partners, by growing a loyal customer flow to our assets by consistently delighting and engaging the Indian consumer.

Disclaimer:

Certain sections in this Annual Report reflect the management's current views, expectations and knowledge of its business. Certain information provided and statements made herein are based on assumptions and/or may be forward looking in nature, involving risks and uncertainties like regulatory changes, local, political or economic developments, whether present or future. Actual results, performance or events may differ materially from the information/statements herein contained due to changes in economic environment, market conditions, norms, regulations, allowances etc.

The financial projections, expected launch dates of projects, estimated areas etc. contained herein are estimates, based on current market conditions, regulations, norms and business plans of the Company. References to developable or chargeable areas are based on existing real estate regulations, approvals existing, approvals expected, allowances and current development plans. Changes in real estate regulations and market conditions in future may result in variances from the financial projections and/or the estimated project areas, which are beyond the control of the Company.

Information provided herein, including projected financial information if any is not to be construed as a solicitation to invest in our company but is provided for information purposes only. The Company will not in any way be responsible for any action taken based on the information and/or forward looking statements contained herein and undertakes no obligation to publicly update forward-looking statements if any to reflect subsequent events or circumstances.

THE SEQUOIA TREE

These tallest of trees reach heights of more than 350 feet (107 meters). Redwoods can achieve a diameter of 24 feet (7 meters), and 1.6 million pounds (725,700 kg). These giants can live to be 2,000 years old and have graced the planet for more than 240 million years.

Solid Foundations. Sustainable Future.

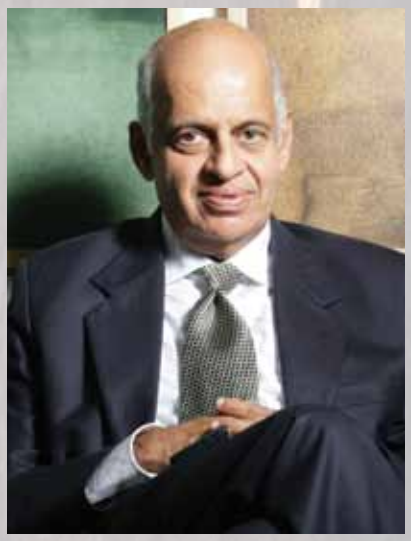
"Today, when it comes to Retail Centric Realty Developments, The Phoenix Mills Limited (PML) is the undisputed leader within the Indian landscape. This is the result of a visionary approach that understood, very early on, the vast potential of India's consumerism. It is an approach that also took into cognisance the latent thirst for world class products, fine dining and entertaining experiences, in environments that are pleasant, comfortable and inviting. This approach also allowed us to take advantage of the corollary impact on the re-rating, and re-pricing, potential in residential and commercial segments of the surrounding micro markets.

We enjoy an enviable footprint in four of India's top Tier 1 cities – Mumbai, Chennai, Pune and Bengaluru. Our relatively young, iconic retail assets have quickly matured into landmark destinations in these key gateway cities. Supported by lucrative complementary projects such as prime residential, commercial and hospitality assets, we have developed our own unique approach to value creation that places us in a pole position in each of the micro markets we participate in. One can safely say that we have mastered the business model for creating value out of a retail centric realty business.

We are now strategically poised for growth, given India's growing consumption-based economy and have a strong balance sheet to expand our asset base going forward. Our experience, goodwill and financial strength put us at an inflection point in our journey. A point from which we have the potential to continuously generate substantial free cash flows to keep fuelling our growth sustainably for a long time to come and create assets that would continue to have the PML hallmark of being unique and iconic. The aggression we showed with our visionary plans five years ago is manifesting itself once again in a new avatar – one that will be even more strategic, more sustainable and highly accretive to our balance sheet. With such an approach, PML continues to be an institution which focuses on its commitment to long term and consistent value creation."

Atul Ruia
Jt. Managing Director

What's Inside



Ashokkumar Ruia
Chairman & Managing Director

"Brand 'Phoenix' has truly come a long way to establish itself across multiple geographies and asset classes. Having delivered premium and landmark projects, we continue to focus on how we can improve the efficiencies in our operational properties."

Atul Ruia
Jt. Managing Director

"There is nothing finite about our growth. Our young properties have quickly matured to strong yielding assets, and are now strategically poised for attractive organic growth. This also positions PML at an inflection point in its journey in which it has the potential to create strong free cash flows that can fuel its growth sustainably for a long time to come."

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05

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Phoenix MarketCity, Bengaluru

01

About us

Our Company Summary

17.5 Mn sq. ft.

Over 17.5 Mn sq. ft. in Retail, Hospitality, Commercial And Residential Assets Spread over 100+ Acres

Assets Overview

7 Malls in 6 cities

2 Malls under Development & Fit-outs

Retail Business

Commercial & Hospitality

5 Commercial centres in 2 cities

2 Completed Hotel Projects

Residential

5 Residential Projects under development

5.5 Mn sq. ft.

We specialise in the ownership, management and development of iconic large format retail-led mixed use properties that include shopping, entertainment, commercial, residential and hospitality assets.

Today, we have interests in 9 irreplaceable large scale retail assets – making up close to 6.0 mn sq. ft. across 6 Indian city-centres. With our prime residential and commercial properties in Bengaluru, Mumbai, Chennai and Pune, we are emerging as a leading realty company of India that is both highly integrated and asset-class diversified at the same time.

BSE (Code: 503100)
NSE (Symbol: PHOENIXLTD)

1,000+

Employees across 7 cities pan India

Vision

To create shareholder value by generating exceptional yields from the capital growth, sale and lease of architecturally superior, difficult to replicate assets, that are truly world class in quality and infrastructure.

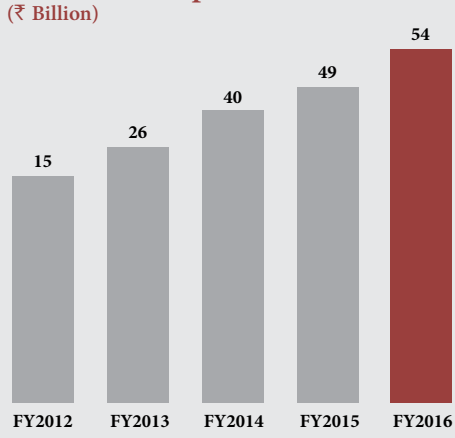
To create a superior business environment for our many local and international retailers and partners, by growing a loyal customer flow to our assets by consistently delighting and engaging the Indian consumer.

₹54 bn

Consumption in FY2016

Rising Consumption at the Phoenix Group

(₹ Billion)



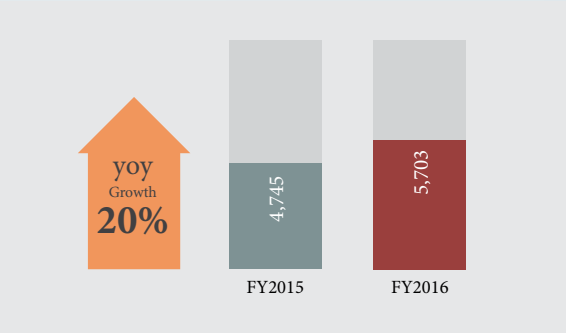
Consolidated Financial Highlights

(₹ in Million)

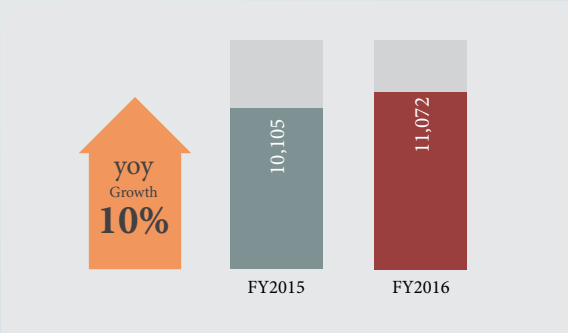
	FY2015	FY2016
Retail Income	10,240	11,145
Residential Income	2,524	2,724
Commercial Income	2,045	1,431
Hospitality & Other Income	1,724	2,467
Total Income	16,533	17,786
EBITDA	7,620	7,900
EBITDA Margins	46%	44%
Other Income	312	312
Depreciation	1,681	1,773
Interest	3,956	4,305
Profit Before Tax	2,295	2,134
Profit After Tax & Minority Interest	354	815

Consumption Trends (₹ Million)

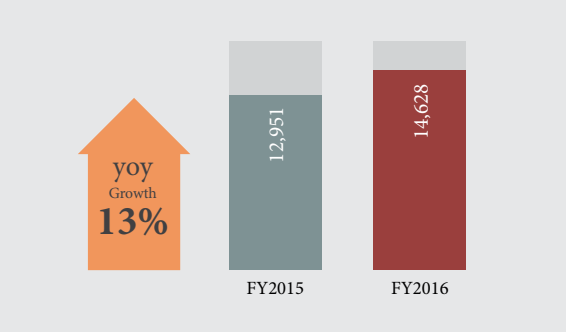
Food & Beverages*



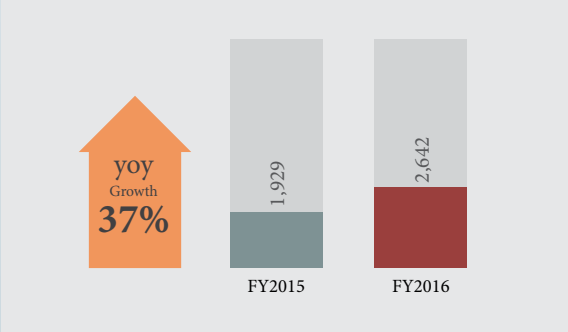
Apparels & Fashion*



Hypermarket & Departmental Stores*

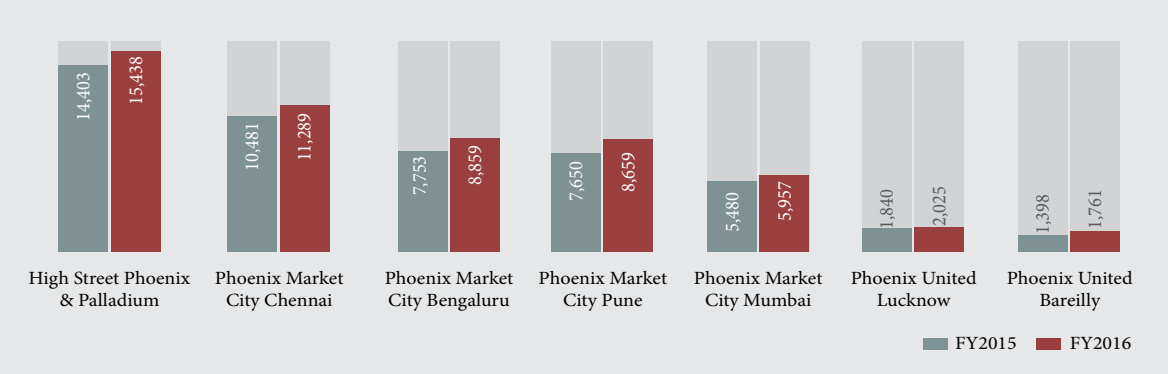


Cosmetics, Optics & Health*



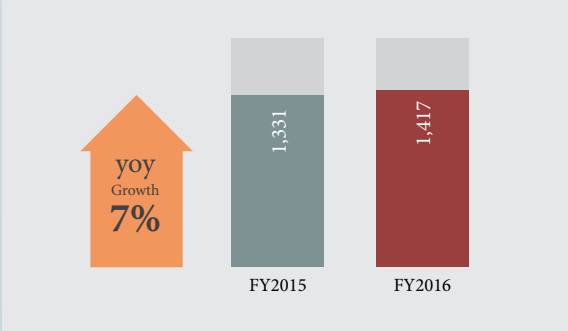
*Consumption numbers are for High Street Phoenix & Palladium, and our four MarketCity Projects

Consumption across Malls (In ₹ Million)

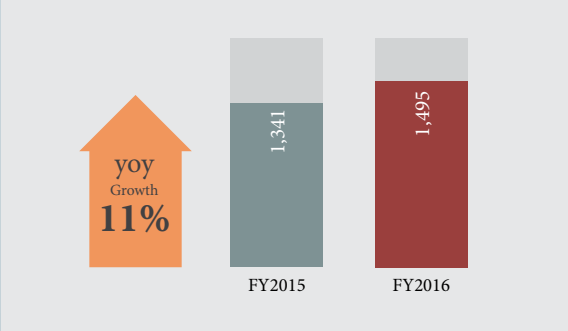


Trading Density Trends (₹/sq. ft./month)

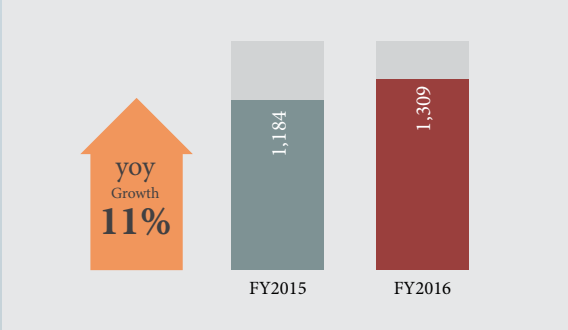
Food & Beverages*



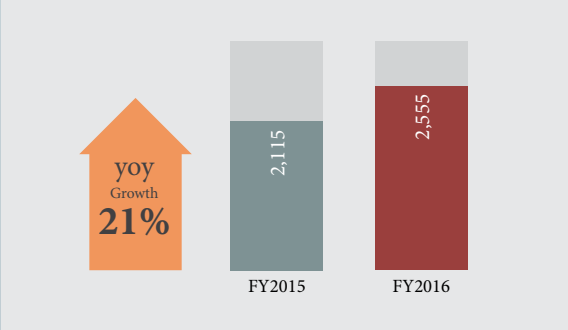
Apparels & Fashion*



Hypermarket & Departmental Stores*

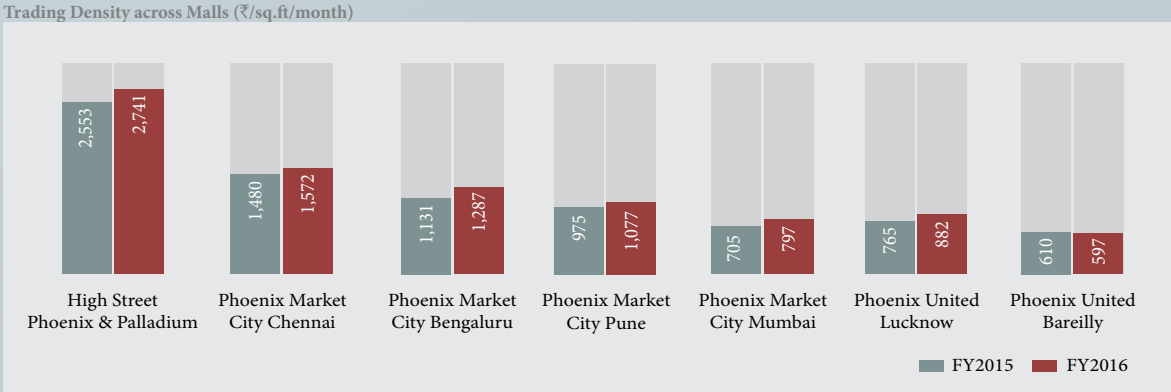


Cosmetics, Optics & Health*



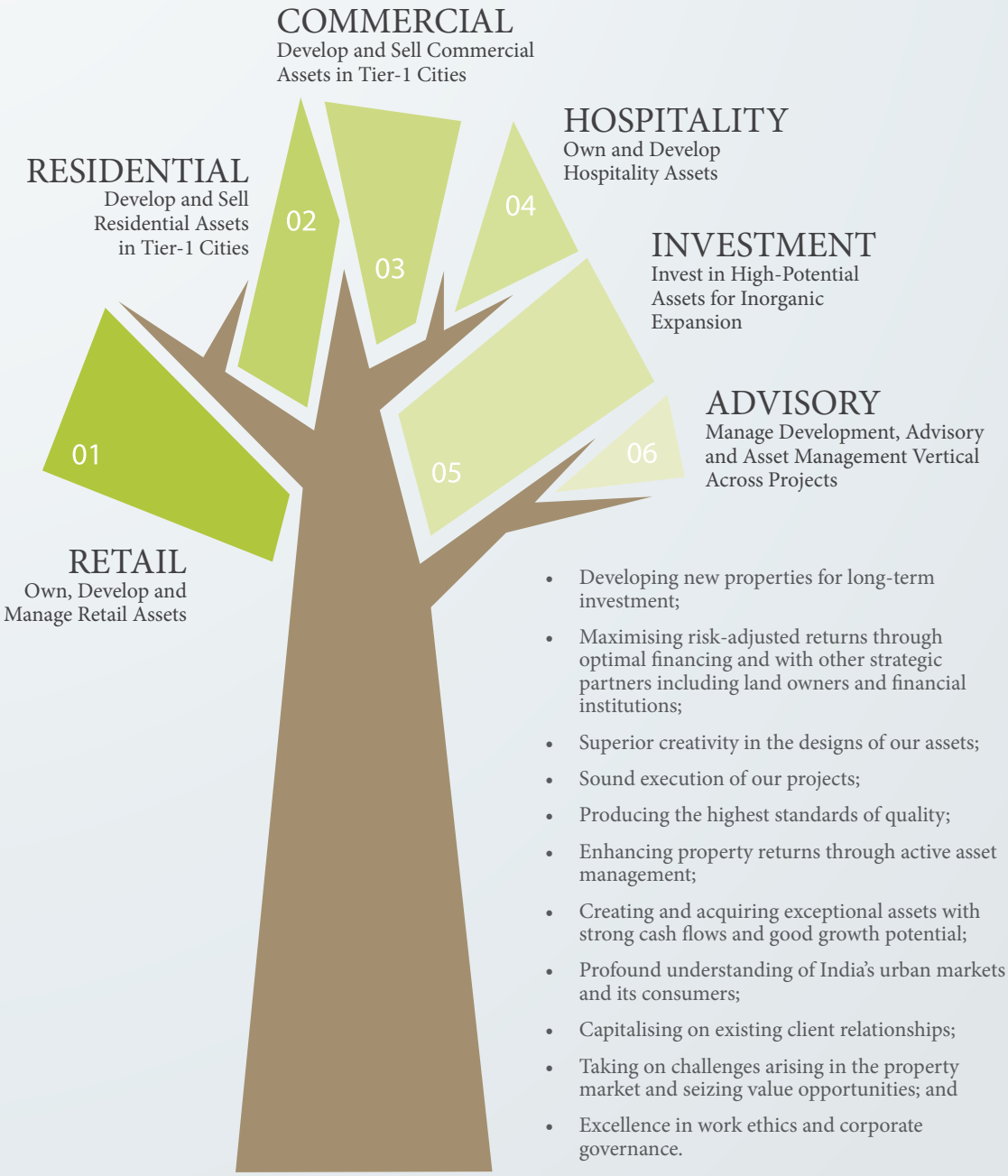
*Trading Density numbers are for High Street Phoenix & Palladium, and our four MarketCity Projects

Trading Density across Malls (₹/sq.ft/month)



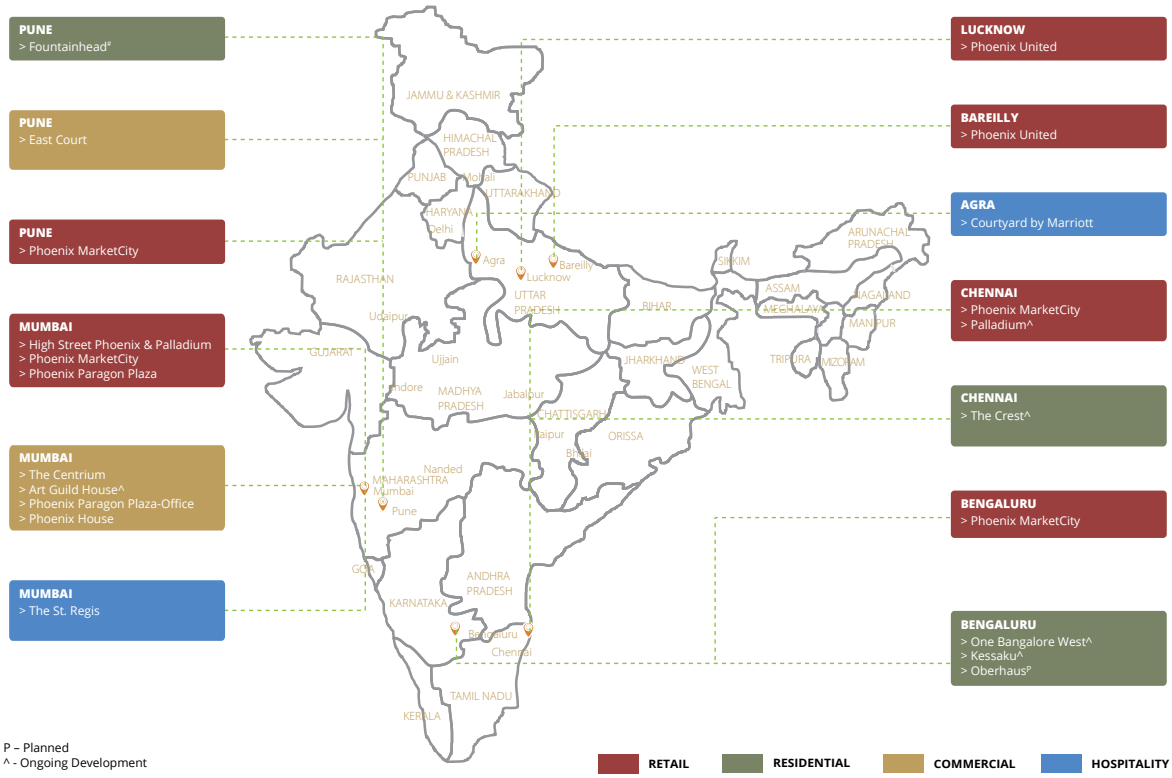
Our Business Model

As part of our strategy, we seek to produce outstanding long term returns for our shareholders through capital appreciation and income growth by developing and managing assets, across retail, residential, hospitality and commercial verticals.



- Developing new properties for long-term investment;
- Maximising risk-adjusted returns through optimal financing and with other strategic partners including land owners and financial institutions;
- Superior creativity in the designs of our assets;
- Sound execution of our projects;
- Producing the highest standards of quality;
- Enhancing property returns through active asset management;
- Creating and acquiring exceptional assets with strong cash flows and good growth potential;
- Profound understanding of India's urban markets and its consumers;
- Capitalising on existing client relationships;
- Taking on challenges arising in the property market and seizing value opportunities; and
- Excellence in work ethics and corporate governance.

Our Pan India Presence



Corporate Information

BOARD OF DIRECTORS

Mr. Ashokkumar Radhakrishna Ruia
Chairman & Managing Director

Mr. Atul Ashokkumar Ruia
Joint Managing Director

Mr. Shishir Shrivastava
Joint Managing Director

Mr. Pradumna Kanodia
Director - Finance

Mr. Amit Kumar Dabriwala
Independent & Non-Executive Director

Mr. Amit Dalal
Independent & Non-Executive Director

Mr. Sivaramakrishnan Iyer
Independent & Non-Executive Director

Ms. Shweta Vyas
Independent & Non-Executive Director

COMPANY SECRETARY

Ms. Puja Tandon

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited,
C-13, Pannalal Silk Mills
Compound, L.B.S. Marg,
Bhandup (West),
Mumbai - 400 078.
Tel. No.: 022-2596 3838
Fax No.: 022-2594 6969

BANKERS

Bank of Baroda
Bank of India
Barclays Bank
Canara Bank
Central Bank of India
Corporation Bank
HDFC Bank
IndusInd Bank
Saraswat Bank
Standard Chartered Bank
State Bank of India
YES Bank

AUDITORS

M/s A. M. Ghelani & Company
Chartered Accountants
M/s Chaturvedi & Shah
Chartered Accountants

REGISTERED OFFICE

462, Senapati Bapat Marg,
Lower Parel,
Mumbai - 400 013.
Tel: 022 - 2496 4307
Fax: 022 - 2493 8388

Website: www.thephoenixmills.com
Email: info@thephoenixmills.com

CORPORATE OFFICE

Shree Laxmi Woollen Mills Estate,
R. R. Hosiery Bldg,
Off. Dr. E. Moses Rd.,
Mahalaxmi,
Mumbai - 400 011.

Asset Summary

Projects Delivered So Far

MUMBAI

PUNE

BENGALURU

CHENNAI

LUCKNOW

BAREILLY

AGRA

The existing real estate development portfolio of The Phoenix Mills Limited (PML) primarily comprises retail-led, mixed-use developments in prime locations. The portfolio includes four types of developments: Retail, Commercial, Residential and Hospitality at Mumbai, Pune, Bengaluru, Chennai, Lucknow, Bareilly and Agra.

Projects Under Construction

MUMBAI

PUNE

BENGALURU

CHENNAI

We continue with the design, planning and construction of our other projects – Residential and Commercial properties – which form a part of the mixed-use development on the same land parcels where Phoenix MarketCity malls have been built across the four cities, in addition to our standalone developments.

MALLS

HSP & PALLADIUM MALL
Leasable Area: 0.74 Mn sq. ft.
Consumption: ₹ 15,438 Mn

PHOENIX MarketCity, KURLA
Leasable Area: 1.11 Mn sq. ft.
Consumption: ₹ 5,957 Mn

PHOENIX MarketCity, PUNE
Leasable Area: 1.13 Mn sq. ft.
Consumption: ₹ 8,659 Mn

PHOENIX MarketCity, BENGALURU
Leasable Area: 0.98 Mn sq. ft.
Consumption: ₹ 8,859 Mn

PHOENIX MarketCity, CHENNAI
Leasable Area: 1.00 Mn sq. ft.
Consumption: ₹ 11,289 Mn

PHOENIX United, LUCKNOW
Leasable Area: 0.33 Mn sq. ft.
Consumption: ₹ 2,025 Mn

PHOENIX United, BAREILLY
Leasable Area: 0.31 Mn sq. ft.
Consumption: ₹ 1,761 Mn

RETAIL & COMMERCIAL

CENTRIUM
Saleable Area: 0.28 Mn sq. ft.
(Commercial only)

PHOENIX PARAGON PLAZA
Saleable/Leasable Area:
0.42 Mn sq. ft. Under Fit-outs
(Retail & Commercial)

EAST COURT
Saleable/Leasable Area:
0.25 Mn sq. ft.

HOSPITALITY

THE ST. REGIS, MUMBAI
Keys: 395
Avg. Occupancy: 72%

HOSPITALITY

COURTYARD BY MARRIOTT
Keys: 193
Avg. Occupancy: 45%

COMMERCIAL

ART GUILD HOUSE
Saleable/Leasable Area: 0.76 Mn sq. ft.

RESIDENTIAL

FOUNTAINHEAD
Saleable Area: 0.35 Mn sq. ft.
Launched in: Q1-2014*

ONE BANGALORE WEST
Saleable Area: 2.20 Mn sq. ft.
Phase I - Launched in: Q3-2012*
Phase II - Launched in: Q4-2015*

KESSAKU
Saleable Area: 0.99 Mn sq. ft.
Launched in: Q1-2015*

OBERHAUS
Saleable Area: 1.02 Mn sq. ft.
Yet to be Launched

MALLS

PALLADIUM CHENNAI
Leasable Area: 0.22 Mn sq. ft.
(Under Construction)

THE CREST
Saleable Area: 0.53 Mn sq. ft.
Launched in: Q3-FY2012

THE CREST - TOWER D
Saleable Area: 0.41 Mn sq. ft.
Yet to be Launched

*Refers to calendar year

The Phoenix Evolution

1905

The Phoenix Mills Limited commences operations as a textile manufacturing company on 17.3 acres land at Lower Parel in Mumbai, with the objective of manufacturing cotton textile goods.

1959

The Phoenix Mills Limited, owned by the Ruia family, was listed on the Bombay Stock Exchange.

1986

Made operational Phoenix House commercial centre.

1987

The company entered into the growing real estate market where High Street Phoenix emerged as the most frequented destination in Mumbai.

1996

Opened doors to The Bowling Co., India's first bowling company with the largest 20-lane bowling concourse and gaming arcade, sports bar and night-club Fire & Ice, to add the crucial element of entertainment to the burgeoning HSP Complex.

2001

Introduced India 's first hyper market concept with the launch of Big Bazaar's first store at the High Street Phoenix, Mumbai, along with Food Bazaar. With this, HSP gradually emerged as a model for India in terms of retail-led development centres.

2003

Launched Pantaloons and Lifestyle departmental stores within the HSP Complex, each covering approximately 50,000 sq. ft. of retail shopping.

2004

The High Street Phoenix Complex announced the launch of a multi-levelled SkyZone with anchor stores of leading national and international brand retail outlets.

2005

The Phoenix Group celebrated its centenary, 100 years of commencing operations as a textile mill in 1905. With a heritage lasting over 10 decades, the Group is proudly credited with having catalysed a wave of shopping revolution in India.

2006

Announced the launch of Palladium Hotel, a five-star luxury hotel, with a first-of-its-kind sky lobby. Set up a 7-screen multiplex atop the Palladium Mall within the HSP Complex at Lower Parel.

2007

Announced development of four Phoenix MarketCity Malls in Pune, Bengaluru, Kurla (Mumbai) and Chennai.

2009

Launched Palladium Mall, an architecturally designed first-of-its-kind super luxury premium and iconic mall in High Street Phoenix Complex, housing super luxury national and international brands. Launched East Court within the Phoenix MarketCity ecosystem in Pune, housing a blend of retail and commercial spaces.

2011

Launched Phoenix MarketCity at Pune, located in close proximity to the emerging upper middle-income group residential areas. Launched Phoenix MarketCity at Whitefield, Bengaluru's IT hub, and Phoenix MarketCity in Kurla, a mixed-use development asset in the eastern suburb of Mumbai, with over 300 national and international brands.

2012

Launched Palladium Hotel, a five-star luxury hotel, nestled above the premium Palladium Mall within the High Street Phoenix Complex. Launched One Bangalore West at Bengaluru, with 30-storey high-rise towers combining luxury and comfort. Launched Art Guild House and Phoenix Paragon Plaza, state-of-the-art commercial complexes within Phoenix MarketCity at Kurla, Mumbai.

2013

Launched Phoenix MarketCity Mall at Velachery, Chennai, a mixed-use asset with 300-plus stores and four-and-a-half levels of shopping area, marking the convergence of shopping, dining, entertainment, art, architecture and design.

2014

HSP Complex clocked an average ticket size per customer of ₹ 700, as total footfalls jumped to 19.5 million. The monthly average footfall jumped to over 1.6 million vis-à-vis 1.4 million in the previous year.

2015

Launched Courtyard by Marriott at Agra; exclusive luxury residential project at Bengaluru; and operationalised 5 in-house F&B outlets at some of our retail assets.

2016

The St. Regis, Mumbai, the premiere most brand in Starwood Hotels portfolio begins operations from Sept'15. PML raised ₹ 2,830 mn via Qualified Institutional Placement (QIP) in July 2015.

Note: All fiscal year

Board of Directors

Mr. Ashokkumar Ruia
Chairman & Managing Director

Mr. Ashokkumar Ruia is a graduate from Cambridge and has pursued an active career in both business and sports. He has the unique distinction of representing the country in two sports, Bridge and Golf, demonstrating an inimitable desire to excel in whatever he undertakes. He has been on the Board of The Phoenix Mills Limited (PML) since 1963. He has vast experience in managing the Company's affairs and over the years has contributed significantly to its growth. He is actively involved in mentoring the leadership team and in various aspects of the Company's expansion plans. He has also played an ardent and active role in the textile industry, serving as a committee member of the Mill Owners' Association, Mumbai for several years.

Mr. Atul Ruia
Jt. Managing Director

Mr. Atul Ruia is a graduate in Chemical Engineering from the University of Pennsylvania and holds a degree in Business Management from the Wharton School of Finance. He joined the Board of PML in 1996 and is the key visionary, pioneer and force behind the development of High Street Phoenix, Mumbai's first retail-led mixed use destination. It was under his aegis that the Company embarked upon a pan-India asset creation strategy with the flagship brand of 'Phoenix MarketCity'.

Mr. Shishir Shrivastava
Jt. Managing Director

Mr. Shishir Shrivastava graduated from IHM, Bengaluru and has been associated with the Phoenix Group since 2000 in various capacities. While he was instrumental in shaping up High Street Phoenix to its current reputation, he also laid the foundation for the service and advisory verticals and seen through the successful culmination of the Palladium Hotel and Phoenix MarketCity projects, launched in phases. As Joint Managing Director, he continues to drive strategy and oversee several critical functions of the Company.

Mr. Pradumna Kanodia
Director – Finance

Mr. Pradumna Kanodia is a qualified Chartered Accountant and Company Secretary. He has over 26 years of experience in corporate management, finance and commercial matters, fiscal and strategic planning, budgeting and cash flow management. He heads the finance and accounts teams and plays a key role in fund raising and liaisoning with banks for debt funding.

Mr. Amit Kumar Dabriwala
Independent and Non-Executive Director

Mr. Amit Kumar Dabriwala graduated from the Calcutta University. As a Promoter Director of United Credit Securities Limited (UCSL), a member of the National Stock Exchange, Mr. Dabriwala has been associated with the capital markets since 1996. He was also responsible for setting up the Mumbai branch of UCSL. In 2004, he promoted JNR Securities Broking Pvt. Ltd. which is a member of the Bombay Stock Exchange. Through the United Credit group companies, he is also involved in real estate development, leasing and hire purchase.

Mr. Amit Dalal
Independent and Non-Executive Director

Mr. Amit N. Dalal has been the Managing Director of Amit Nalin Securities Pvt. Ltd. since October 1997 and also serves as its Director of Research. Mr. Dalal has been the Executive Director of Investments at Tata Investment Corporation Ltd since January 1, 2010. Mr. Dalal earned experience as an Investment Analyst in USA for 2 years. He obtained a Bachelor's Degree in Commerce from the University of Mumbai. He also completed a Post-graduate Diploma in Business Management from the University of Massachusetts and obtained a Master's Degree in Business Administration from the University of Massachusetts, USA.

Mr. Sivaramakrishnan Iyer
Independent and Non-Executive Director

Mr. Sivaramakrishnan Iyer is a qualified Chartered Accountant based in Mumbai. He is a partner of Patel Rajeev Siva & Associates which specializes in corporate finance and advises companies on debt and equity fund raising, mergers and amalgamations and capital structuring for new expansion projects. The firm also carries out due diligence work for various other companies.

Ms. Shweta Vyas
Independent and Non-Executive Director

Ms. Shweta Vyas has graduated with a bachelor's degree in commerce from the University of Mumbai and also holds a post graduate diploma in business management from the K.J. Somaiya Institute of Management Studies and Research. She is the Assistant Vice President of the W&IM division of Barclays in India. She joined Barclays W&IM in year 2008. She later worked with Standard Chartered Wholesale Banking where she moved within the organisation and worked in numerous functions. She is actively involved with the corporate training arm called APEX and MSME of the Art of Living foundation.

Mr. Ashokkumar Ruia
Chairman & Managing Director

Mr. Amit Kumar Dabriwala
Independent and Non-Executive Director

Mr. Atul Ruia
Jt. Managing Director

Mr. Amit Dalal
Independent and Non-Executive Director

Mr. Shishir Shrivastava
Jt. Managing Director

Mr. Sivaramakrishnan Iyer
Independent and Non-Executive Director

Mr. Pradumna Kanodia
Director – Finance

Ms. Shweta Vyas
Independent and Non-Executive Director

Management Team

CENTRAL RESOURCE

Mr. Dipesh Gandhi

Dipesh has over 15 years of experience in business planning & development, market research, organization set-up etc. He is the Group Director – Business Development and is responsible for developing an overall strategic intent for future expansion and development of the commercial and residential business. He is also responsible for liaisoning function and for driving the teams to achieve the overall objective of the business.

Mr. Haresh Morajkar

Haresh has over 28 years of experience with strong business management skills and profound experience in the field of human resource management and general management. He is the Group Director – HR/Admin & IT playing a key role in strategic HR planning, organizational development, building a high performance culture aligned to business strategy, training, performance management, cost management and overseeing the IT infrastructure of the group. He is also entrusted with other key responsibilities viz. insurance and fire life safety of the group.

Mr. Rajesh Kulkarni

Rajesh has over 23 years of experience in driving development, planning and implementation of the project from an architectural perspective. He is the Director - Projects Delivery and is responsible for driving all projects of the Phoenix Group. He receives a steadfast support from experienced architects, engineers and other technical personnel in the design, project co-ordination and delivery to ensure that the projects are completed within time, cost and quality.

MALLS

Mr. Rajendra Kalkar

Rajendra has over 25 years of experience with an expertise in P&L responsibility and driving the strategic intent for overall business of large retail and mall management companies. He is the President – West for Retail Business and is in-charge of High Street Phoenix, Phoenix MarketCity Kurla & Pune and Phoenix United Lucknow & Bareilly. He is responsible for driving the various functions viz. leasing, marketing, finance, operations etc. and achieving the P&L of all these centres.

Mr. Shashie Kumar

Shashie has over 22 years of experience in the field of retail, real estate / infrastructure management, market research and marketing services. He is the President - South for Retail Business and is in-charge of Phoenix MarketCity Bengaluru & Chennai. He is responsible for driving the various functions viz. leasing, marketing, finance, operations etc. and achieving the P&L of all these centres.

Mr. Amit Kumar

Amit has over 19 years of experience in strategic planning, new set-ups, operations management, business development & relationship management. At Phoenix, he holds the position of the Senior Centre Director for Phoenix MarketCity & Phoenix Paragon Plaza at Kurla, Mumbai. He is responsible for driving various functions of the business and achieving the P&L for the Centre.

PROJECTS

Mr. Prabhu G

Prabhu has over 25 years of rich experience in project planning & management, commercial operations, resource planning & control. He is Vice President – Projects for Chennai Projects and is responsible for driving end-to-end project execution and ensures seamless and timely delivery within defined standards of cost & quality.

Mr. Sanjay Narang

Sanjay has over 25 years of extensive experience in execution of residential, office & hospital projects. He is Vice President – Projects for Bengaluru Projects and is responsible for driving end-to-end project execution of One Bangalore West and ensure seamless and timely delivery of the project within defined standards of cost & quality.

Mr. Sanjay Wagaskar

Sanjay has over 22 years of extensive experience in execution of hotels, commercial and mall properties. He is Vice President – Projects for Bengaluru Projects and is responsible for driving end-to-end project execution of Kessaku and ensures seamless and timely delivery of the project within defined standards of cost & quality.

Ms. Rashmi Sen

Rashmi has over 17 years of rich and varied experience in developing overall business plan, building innovative marketing strategies, leasing, sales, business development of retail, residential and commercial businesses. She is Group Director – Retail and is responsible for developing an overall strategic intent for future expansion of the mall business. She is also responsible for developing and implementing the right retailer mix and retail leasing plans for all Phoenix MarketCity malls and other malls of the Phoenix Group.

Mr. Romil Ratra

Romil has over 20 years of extensive and varied experience in hospitality operations & strategy and building & running a business as an entrepreneur. He is Group Director – Hospitality. His role encompasses all of PMLs hospitality interest that includes driving the strategic intent of F&B Business and implementing the same along with the team for the success of the business. Also he is responsible for overseeing the P&L and ensure achievement of the overall business plan of hotels for the Phoenix Group.

Mr. P. Vidya Sagar

Vidya has over 25 years of experience across various industries in the areas of Corporate Law, M&A, Legal, Compliance, Corporate Governance etc. He is Senior Vice President – Corporate Affairs and Legal and is responsible for identifying, anticipating and mitigating legal risk, ensuring total compliance with relevant company laws, legislations and statutory requirements, effective arbitration and litigation management for the group.

Mr. Gajendra Singh Rathore

Gajendra has over 15 years of rich experience in Business Development, Project Management, Operations, Sales, revenue maximization, customers & retailers satisfaction etc. He is Centre Director for Phoenix MarketCity, Bengaluru and is responsible for driving various functions of the business and achieving the P&L for the Centre.

Mr. Noel Vessaoker

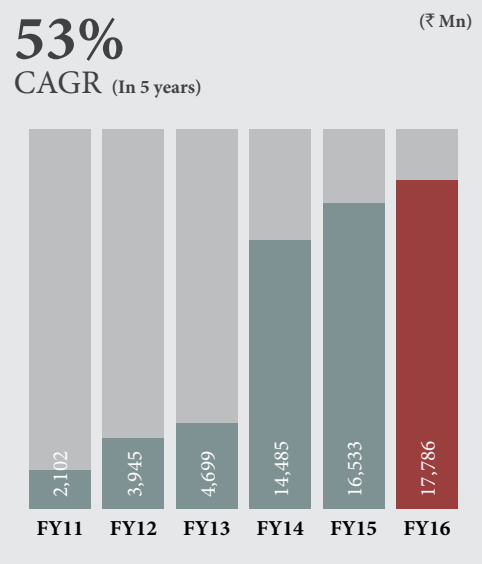
Noel has over 30 years of extensive experience in sales, business development, leasing, revenue maximization, customers & retailers satisfaction etc. He is Centre Director for Phoenix MarketCity, Chennai and is responsible for driving various functions of the business and achieving the P&L for the Centre.

Mr. Rajiv Malla

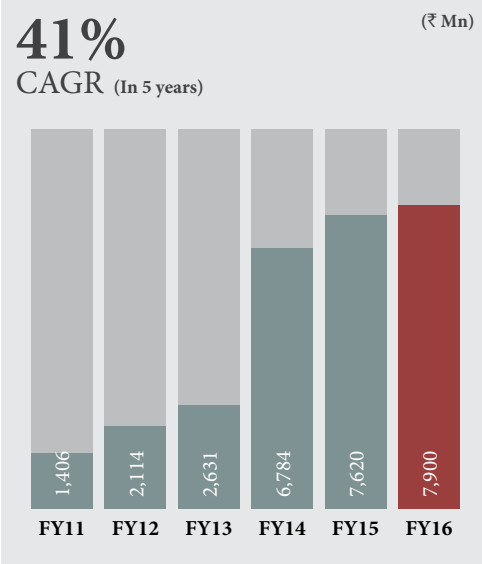
Rajiv has over 30 years of experience with International Hotels and Resorts. He has extensive experience in operations, sales & business development. He has an excellent track record of managing large assets and streamlining workflow. He is the Centre Director for Phoenix MarketCity Pune and is responsible for driving various functions of the business and achieving the P&L for the Centre.

Key Financial Indicators

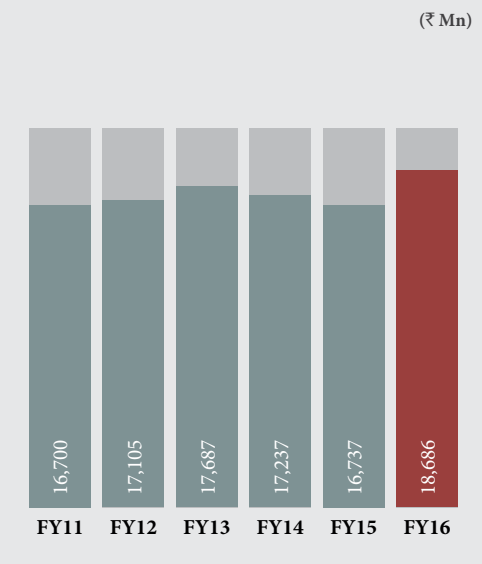
Income from Operations Consolidated



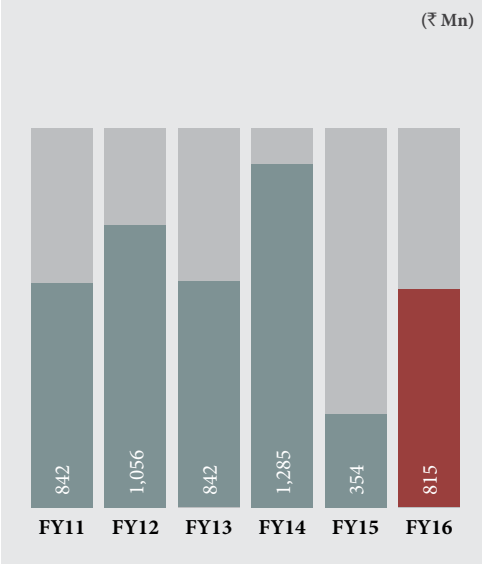
EBITDA Consolidated



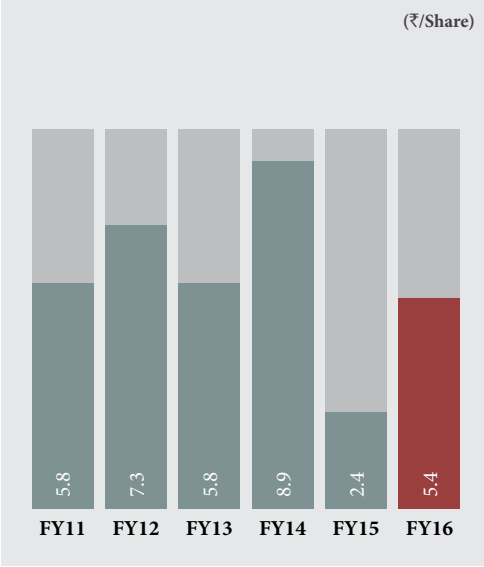
Networth Consolidated



PAT (Post minority interest) Consolidated

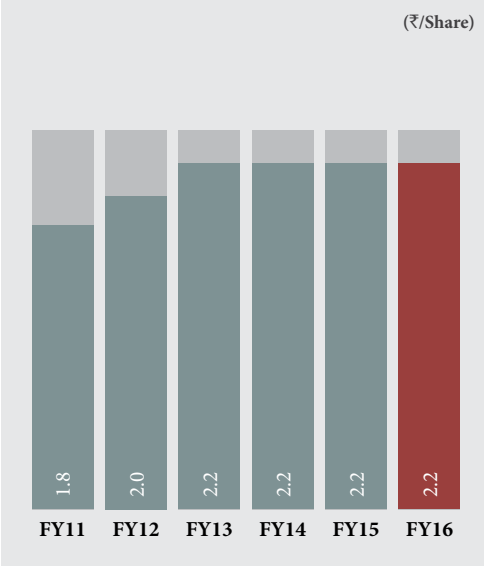


EPS Consolidated*



*Diluted

Dividend



We witnessed strong growth in the recurring rental income from our operational malls and sales recognition in various residential and commercial projects. Our financial and operational performance witnessed an excellent growth during FY2016 driven by this. During the five-year period between FY2011 and FY2016, our Company has recorded a CAGR of 53% in Income from Operations and 41% in EBITDA.

Message from the Chairman

Ashokkumar Ruia
Chairman & Managing Director

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Dear Shareholders,

FY2016 was a successful year as we grew our business, increased profitability and advanced our key strategic initiatives. This enabled us to improve our competitiveness and enhance value for our shareholders.

As I stand at this juncture, I feel privileged to be a part of this winning team and to be associated with such talented people. Our management and leadership team and our employees do outstanding work every single day while dealing with an extreme number of complex business and regulatory issues. The way our people and our firm address the challenges, while continuing to grow our businesses, fills me with pride.

Economic Overview

Economic activity in India continues to be buoyant. The Indian economy is on a sustainable and higher growth trajectory. It has shrugged off global headwinds and will be supported by brisk consumer spending and an uptick in the rural economy. Economic growth during FY2017 is projected to be at 7.7%, resulting from an expected pick-up in private consumption and a robust growth in agriculture on the back of two consecutive drought years.

India's consumer market has a long term potential. The expansion of urban mass, in size and income level, will be the key driver for India's consumption story over the next few years. A McKinsey study states that if India continues to be on a high growth path, India will become the 5th largest consumer market by 2025. We sit with a solid leadership position in the midst of this phenomenal opportunity for growth and development.

Our Financial Performance

FY2016 was an excellent year for PML and in line with our expectations. We achieved strong financial performance, continued to successfully implement our strategy and laid a strong foundation for the future.

We continue to perform well across all metrics. Our Income from Operations and EBITDA maintained a commendable CAGR of 53% and 41%, respectively, over the last five years. For FY2016, our Total Income grew 7.4% to ₹ 18,097.58 million, from ₹ 16,845.58 million in FY2015. Our EBITDA rose from ₹ 7,619.61 million in FY2015 to ₹ 7,900.34 million during the year. Our debt levels stood at ₹ 38.76 billion, as against ₹ 33.08 billion at the end of FY2015. As always, we continued to reward our shareholders with a healthy dividend of ₹ 2.2 per share. Our commendable performance has been primarily driven by strong organic growth in the recurring rental income from our operational malls. Other key factors contributing to this growth have been the increases we have made in our economic interest in some of our SPVs and sustained sales momentum across our various on-going "for sale" residential and commercial projects.

Our Mixed-Use Development Model

The success of a good mall redefines the economics of the surrounding micro market – our mixed-use developments have helped us capitalize on the significant re-pricing witnessed in the residential and commercial segments of the micro-markets, where we have established our malls first and later complemented the retail portion with residential and/or commercial developments. Our large retail-led, mixed-use developments are akin to a city-within-a-city and promote lifestyle concepts such as walk-to-work and "shop, dine and entertain" at home. We have the best-in-class modern infrastructure facilities available inside each of our integrated developments – in fact, our malls resemble miniature "smart-cities".

Our city-centric developments have over time evolved into landmark destinations in the gateway cities where they operate, around which prominent commercial and residential hubs have sprung up. Consequently, our centres are the best

urban lifestyle consumption destinations in the key gateway cities of India, resulting in the best retailers (both foreign and domestic) forming a beeline to get space at our centres.

Our Diversified Portfolio

Brand 'Phoenix' has truly come a long way to establish itself across multiple geographies and asset classes. We continue to have a stable portfolio of retail-led annuity assets which are expected to provide us with stable and predictable income streams and growth. Additionally, sales from our residential and commercial properties are generating sizeable free cash flows. Having delivered premium and landmark projects, our main focus continues to be on how we can improve the efficiencies in our operational properties. As part of Phase II, we have been delivering on our Residential projects in Bengaluru and Chennai, and commercial projects at Mumbai, which are all under advanced stages of construction.

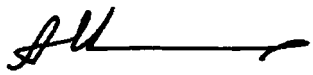
Responsible, sustainable development

We are a responsible corporate citizen. At PML, we believe that growth and sustainability of an organisation focuses on creating value in the long-term for the society as a whole. We also leverage the Company's core strengths and competencies and that of its ecosystem. We also aim to address the pressing needs of the local communities that may not have a business connect, such as during the times of Chennai floods. In addition to this, our centers being public spaces we are conscious of the natural resources that we consume. We have taken initiatives towards optimizing energy consumption and increasing the use of renewable energy at several of our retail and hospitality assets. We are also increasingly utilizing our malls to hold impact events for CSR-related activities and spreading social awareness, including for benefit of under-privileged children.

Going forward

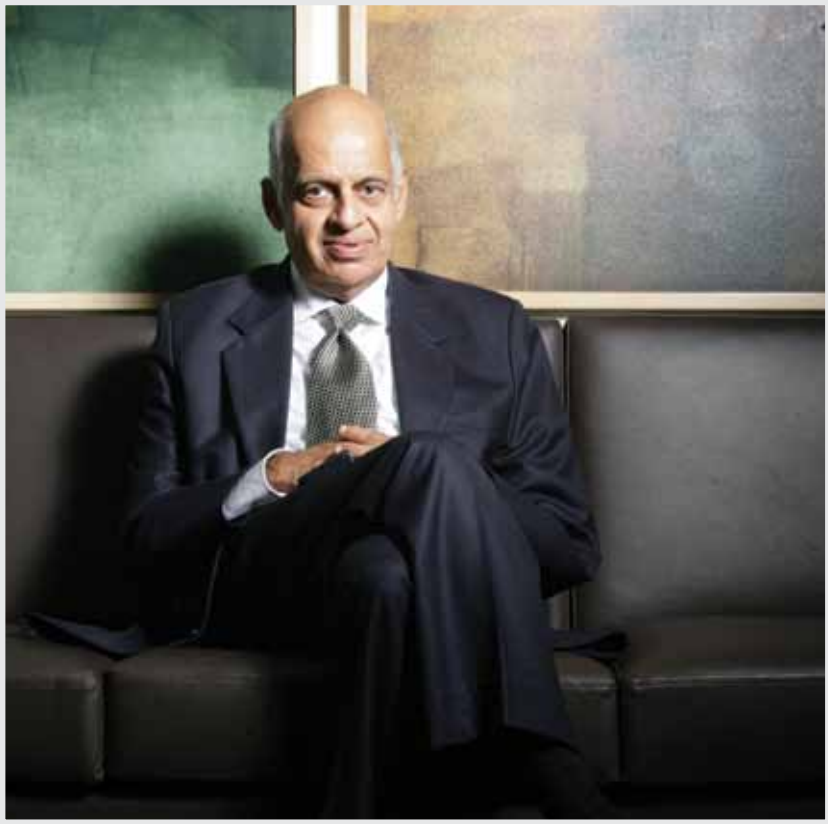
PML has a proven business model, dedicated staff, continuing strong underlying growth and significant potential. We have created a brand that is trusted by our customers across multiple asset classes through our focus on design, quality and customer service. These are exciting times for PML, which is at the forefront of enabling new lifestyles in multiple urban centres across India.

On behalf of the management and the Board of Directors, we wish to thank all our staff, shareholders, business partners and associates for their continued commitment and support to The Phoenix Mills Group. Thank you for being a part of our on-going success story.



Ashok Ruia
Chairman & Managing Director
Phoenix Mills Limited

Ashokkumar Ruia
Chairman & Managing Director



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We have created a brand that is trusted by our customers across multiple asset classes through our focus on design, quality and customer service. These are exciting times for PML, which is at the forefront of enabling new lifestyles in multiple urban centres across India.

Rendezvous with Jt. Managing Director

Atul Ruia
Jt. Managing Director

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Having started out in 2010 with your multi-city expansion plans for your realty portfolio, how do you take stock of your current position?

We've indeed come a long way since we started out with our ambitious plans in 2009-10. Fast forward to fiscal year 2016, PML has come to the end of its first five-year plan. The vision that was laid out in 2010 has been achieved successfully with the distinction of completing all greenfield assets within the cities and categories in which PML targeted to participate in. We now have more than 5.5 million square feet under our management across India on the retail side, and each one of our mall is a market leader in its location, be it in terms of size, aggregate footfalls, rental income or gross consumption. In fact, in FY2016, I am pleased to inform you that we crossed ₹ 54 billion (more than ~US$ 800 million) in total consumption across all our malls in India. They are considered to be amongst the most productive shopping centres in their respective locations, with our sales surpassing all other malls in the cities we are located in. Even the total F&B spend at our malls rival well-respected F&B centric companies.

Today, we are advantageously placed within India's growing consumption-based economy. Our assets are a true reflection of the urban lifestyle consumption and will be a leading indicator of India's urban growth story in the years to come. Not surprisingly, our consumption KPIs keep growing unabated each year. We have been witnessing consistent footfall growth each year and aggressive demand for space from our retailers. I remain confident in our ability to attract better, and higher quality, footfall numbers over the coming years, and more so, in getting even better consumption density per square feet in time. There is enormous headroom in consumption per capita growth, as the middle class enlarges and our shoppers become more prosperous.

I am also deeply encouraged by some of the recent initiatives taken by our Government. Firstly, the introduction of 100% FDI in single-brand retail should also lead to the influx of a new class of foreign brands into India, which will further lead to an upgrade in the existing retailer mix. Secondly, the recent clearance of the Model Shops & Establishment Act further provides leverage to retail players like ourselves to curate the consumer experience for the better. Finally, the Government's housing for all programme will help uplift the lives of millions of aspiring first time home owners, further enlarging the "middle class" consuming population of India.

From where do you expect growth to take place given that PML has a finite area of existing assets that are already leased out?

Let me start by saying that there is nothing finite about our growth. Our young properties have quickly matured to strong yielding assets, and are now strategically poised for strong organic growth. This also positions PML at an inflection point in its journey in which it has the potential to create strong free cash flows that can fuel its growth sustainably for a long time to come. Our ability to deliver sustained growth is testimony to our strong passion to perform.

We are currently home to over 2,000 stores of all shapes and sizes, comprising of leading international and domestic brands. Being the most preferred first stop for international retailers, our retail malls have become highly 'sought after' destinations by the top-end national and international brands. As a result, we have several leading retail brands that are on the waiting list for space. This give us the opportunity for maintaining a healthy churn of brands and ensuring that our malls always stay relevant and fresh in line with evolving consumer demand and tastes. We are constantly looking out for new emerging and fast-growing categories, which we can provide a unique experience for every member of the family. Our focused asset and brand management approach along with our marketing acumen helps us sustain consumer interest and attract new brands and categories to our malls. These include revenue maximizing strategies and targeting marketing events for key retailers or categories that need a push from time to time. We are also constantly working on making shopping at our malls more experiential by adding art shows, fairs, food festivals and musical events – these are crucial features that people enjoy and consider as important "quality of life" enhancers.

Atul Ruia
Jt. Managing Director

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We are currently at the end of a five-year journey that started in 2010 and the Company is at an inflection point in this journey. Our approach is set to make PML an institution from which investors can expect highly safe, sustainable and handsome returns over the long term horizon.

We are also placing much attention on our organic growth drivers for consumption at each of our malls. It's important to note that each of our four Phoenix MarketCity Malls are entering their first cycle of lease renewals and we expect significant rental upside going forward which will reflect in our performance in the coming quarters. I also expect to keep reporting improving numbers, year after year, when it comes to same store sales growth, ever increasing footfalls and improving share of our consumers' wallets and purses.

What is your strategy for growth going forward?

PML is currently at the end of a five-year journey that started in 2010 and the company is at an inflection point in its journey. We have delivered all our green-field developments, stabilized them, nurtured them into becoming market leaders. In FY2017, we look forward to completing our landmark commercial property, Art Guild House at Kurla, Mumbai, and our premium mall, Palladium at Velachery, Chennai. These are all best-in-class, irreplaceable assets in the key gateway cities of India that are set to enjoy strong organic growth. Further, several of these assets still have future development potential which will be developed and monetized in due course.

While we started our journey owning less than 50% stakes in some of our key assets, over the last 3 years, we have focused on 'organically' creeping up our ownership in these prime assets. I expect the strong cash flows from the assets to provide us the ammunition for future growth. Our passion to perform will take on a new hue which will be a mix of organic growth and greenfield projects that would be unique and iconic. The aggression we showed to grow five years ago will manifest itself once again in a new avatar - one that will be more strategic, more sustainable and highly accretive to our balance sheet. This approach will focuses on our commitment to long term and consistent value creation for all our stakeholders.

How are PML's non-mall portfolio coming along – Residential, Commercial and Hospitality developments?

Our other portfolios – Residential, Commercial and Hospitality – are also best-in-class and leaders in their respective markets and categories. Our hotels are being managed by the best global operators and have established themselves amongst the best in the city within a short span of time despite the large range of choices people have. Our St. Regis Hotel at Mumbai and Courtyard by Marriott at Agra should also benefit from the Government's emphasis on "Make in India" and expanded "Visa on Arrival" services, giving a spurt in both business and leisure tourists into India. Our commercial properties are also located in prime locations and are primed to enjoy strong occupier interest. I am particularly excited about our upcoming Art Guild House that will set new standards for top notch business spaces in Mumbai.

Our residential products continue to enjoy good traction, and are positioning the PML brand well across multiple asset classes. Our properties in Chennai and Bengaluru have set new benchmarks of quality and luxury in their respective markets and continue to see strong traction in botbe h sales and price movement. I welcome the new real estate regulations in the form of the RERA Bill, which I believe will hugely beneficial to weeding our bad practices in the realty industry and make life much easier for home buyers in general. The Bill is likely to usher in greater accountability in the sector and help organised players like us that are ethically and quality driven.

Atul Ruia
Jt. Managing Director

Palladium, Mumbai

02

Management's Discussion & Analysis

Management's Discussion & Analysis

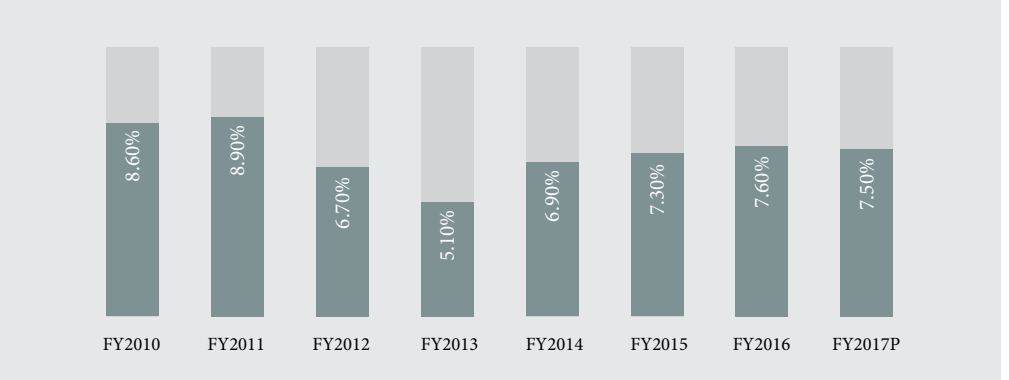
Economic Overview

The Indian economy grew by 7.6% in FY2016, becoming the world's fastest growing economy among the large economies. This is in comparison with 7.2% growth recorded in FY2015. Robust reforms, push for Make in India and a better external environment indicate sustained recovery in macroeconomic growth. IMF has retained its growth forecast for India in FY2017 at 7.5%, largely driven by private consumption, which has benefited from lower energy prices and higher real incomes.

The Government has taken several steps to improve the country's economic environment – including simplifying approval procedures, repealing obsolete laws, putting in place a non-adversarial tax regime and addressing the issue of subsidy leakage. As a result, India has climbed 12 notches on the World Bank's Ease of Doing Business indicator and is a "haven of stability amid a turbulent global economy".

India's performance and strong growth outlook are remarkable in the face of subdued global activity. According to the IMF's World Economic Outlook, global growth, estimated at 3.1% in 2015, is projected to improve to 3.4% in 2016 and 3.7% in 2017. The pick-up in global activity is projected to be more gradual, especially in the emerging market and the developing economies which are recovering from the twin headwinds of low oil and commodity prices. Growth in China is expected to slow to 6.3% in 2016 and 6.0% in 2017, primarily reflecting weaker investment growth as the economy continues to rebalance. However, resilient domestic demand in Europe and United States can sustain global growth in spite of the struggles in the emerging markets.

India's GDP Growth (Actuals and Expected)



Source: Central Statistics Organisation

Multiple Levers of India's Economy Growth

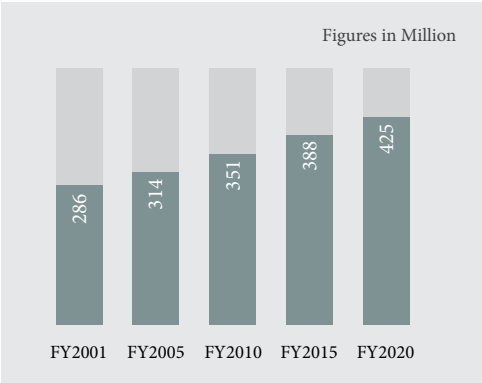
According to the estimates of the Confederation of Indian Industry (CII), government infrastructure investments and increased investments from the private sector will boost GDP growth. India has benefited from lower oil prices and remains on a strong recovery path, being the fastest-growing large economy in the world. An incipient recovery of private investment is expected to help broaden the recovery. Moreover, higher levels of public infrastructure investment and government measures to re-ignite investment projects should help crowd-in private investment.

An integrated set of initiatives – including Make In India, Start-Up India, Mudra Yojana and Skill India – will help create a large number of jobs. A series of reforms is being initiated to help convert job seekers into job creators. The Government has launched the Start-Up India campaign, which will deepen, expand and support the innovation eco-system in the country.

India's demographic divide

As much as 70% of the consumption growth in India in the next 15 years will come from the working population (aged 15-59 years), according to a new McKinsey study. The study predicts that 79% of growth in the next 15 years will come from increased per capita consumption. Rising working-age population and increased urbanization trend bode well for sustained growth in private consumption.

Growing Urbanisation in India



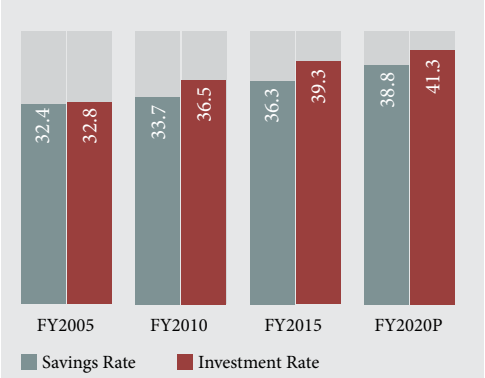
Source: D&B India

Almost 79% of growth in India over the next 15 years will come from increased per capita consumption. Rising working-age population and increased urbanization trend bode well for sustained growth in private consumption.

Rising savings rate and income levels to boost consumption

Investment, as measured by Gross Domestic Capital Formation, is expected to increase to 41.3% of GDP during FY2020, from 36.5% in FY2010, according to a report by D&B India. Savings are also expected to surge from 33.7% in FY2010 to 38.8% of GDP by 2020. Rising income levels coupled with increasing young working-age population will lead to a significant growth in private final consumption expenditure.

Funding of Domestic Investment

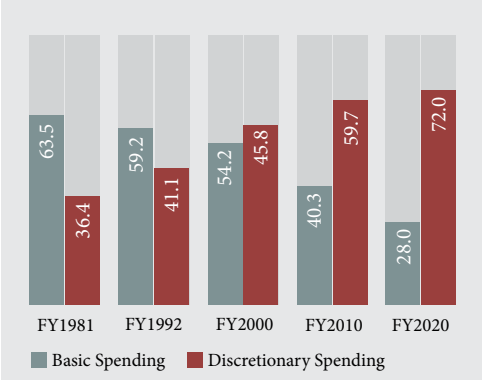


Source: CSO, D&B India

Discretionary consumption spending on the rise

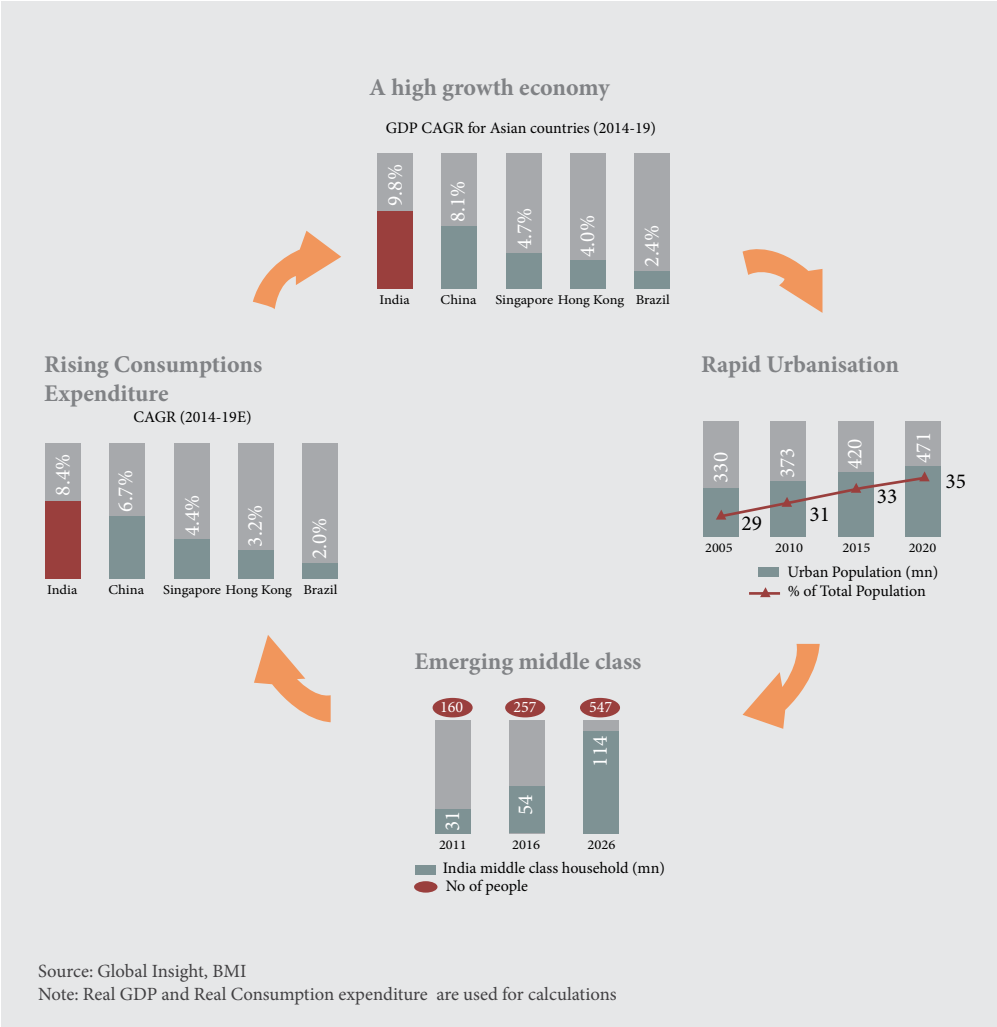
Consumption expenditure will continue to be the major contributor to GDP. The analysis of consumption expenditure data reveals a changing pattern of private final consumption expenditure during the current decade. The share of discretionary spending (rent, fuel & power, furniture, medical care, transport & communication, recreation & education) is projected to increase considerably.

Rising Share of Discretionary Spending



Source: CSO, D&B India

Consumption expenditure will continue to be the major contributor to GDP. The analysis of consumption expenditure data reveals a changing pattern of private final consumption expenditure during the current decade.



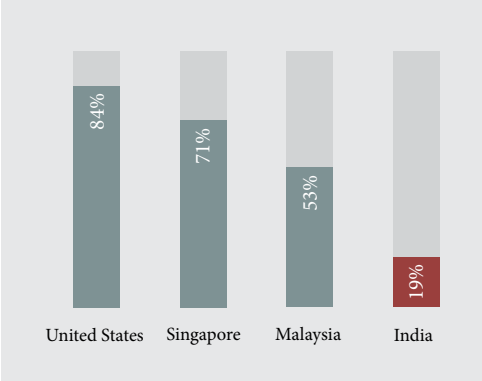
Source: Global Insight, BMI
Note: Real GDP and Real Consumption expenditure are used for calculations

Industry Overview

Indian Retail Sector

India's retail sector has been undergoing structural changes for the last two decades. Shopping malls, lined with specialty retailers, started dotting the retail markets of India's top cities during 1990s. Since then, the mall culture gradually pervaded the population, especially in metros and mini-metros, heralding the beginning of the modern retail movement in India. Presently, modern retail penetration in India is very low, compared to developed and emerging economies. While the share of modern retail is 84%, 71% and 53% in the United States, Singapore and Malaysia, it is only 19% of the value of total retail spending in India. Going forward, the share of modern retail in these top seven cities will be a quarter of the total retail spending by 2019, according to "Think India, Think Retail 2016" Knight Frank report.

Share of Modern Retail in Total Retail Spending



The Indian retail market witnessed an enormous change in the last few years. Evolving consumer spending patterns and increasing disposable income levels are redefining India's retail landscape. There is ample dynamism at present, with a number of international brands entering the market. Domestic brands are also working towards reinventing ways to keep up with the pace of growth in the sector. Currently, the total retail spending in the top seven retail markets of India amounts to US$ 53.7 billion (₹ 3.58 trillion), with organised retail penetration at 19% as of 2014. This is seen rising to US$ 1.3 trillion by 2020, registering a CAGR of 9.7% between 2000 -2020. (Source: IBEF)

India is one of the most important retail markets for global retailers. Other than the fact that it is one of the biggest economies in the world, the demographics also work in India's favour. Mumbai, Bengaluru and NCR are at the epicentre of this retail wave. A majority of the global retailers planning to enter the country are considering these regions in the first phase. Nearly 400 international brands are already present in India, according to the Knight Frank report. The Government is facilitating retail growth in India with suitable policies and required infrastructure. These will help bolster positive long-term outlook for the industry, which is supported by growing income levels, favourable demographics, entry of foreign players and increased urbanisation.

Organised retail is expected to grow at 25% CAGR from US$ 60 billion in 2015 to US$180 billion in 2020, constituting nearly 18% of the retail market size in 2020.

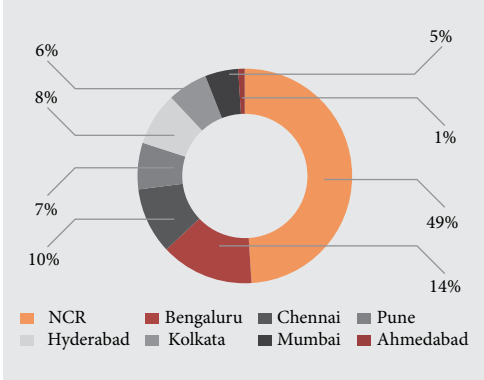
Growth in Organised Retail

The Indian retail market is expected to witness rapid growth from being a US$ 600 billion industry in 2015 to US$1 trillion by 2020. Although the Indian market currently is dominated by the unorganised sector which commands 90% of the total share, the modern retail pie is growing at a robust pace with a rapid shift in consumer tastes. Organised retail is expected to grow at 25% CAGR from US$60 billion in 2015 to US$180 billion in 2020, constituting nearly 18% of the retail market size in 2020. This impressive growth in modern retail is mainly driven by increasing per capita income and urbanisation, rapid consumer evolution in the form of greater brand consciousness, improving lifestyles and a need for modern shopping environment. (Source: BCG Report)

Being one of the largest and fastest growing markets, the Indian retail industry is on the radar of large-scale international retailers for its immense potential. The Indian retail industry in the single brand segment has received foreign direct investment (FDI) inflows to the tune of US$ 275.38 million during April 2000 to January 2015, according to the Department of Industrial Policies and Promotion (DIPP).

In 2015, the retail market witnessed new infusion of 1.16 million sq. ft. of mall space across top 8 cities. Moderate demand for space and exit of retailers from certain malls led to higher vacancy levels of 15.4% as of September 2015. As leasing activities remained stable, a mixed rental value trend has been observed across the eight cities (Source: Cushman & Wakefield). Close to 70 million sq. ft. of retail space is now operational across top 8 cities. According to the report, an additional 31.13 million sq. ft. of mall space is seen becoming operational by 2018. Bengaluru is likely to account for 14% of this space, placing it second on the list of upcoming supply after Delhi-NCR in the next few years.

City-wise Share in Upcoming Mall Supply (2015-18)



Source: Cushman & Wakefield

The demand for quality mall space continues to be strong, with various international brands and high-end retailers scouting for retail spaces in prime locations and high streets to attract target customers. However, many poor quality malls in non-prime locations have either closed down or are on the verge of closure owing to an oversupply of ordinary mall space. But with globally recognised retailers looking to foray into India, even as the existing international and Indian brands are looking to expand their footprint, quality mall space is expected to witness sharp demand. In addition to metros, mall culture has now fully been adopted by Tier 1 cities and with growing brand consciousness, improving lifestyles and a rise in aspiration levels, Tier 2 and 3 cities should also witness considerable traction in development of quality mall spaces with increased penetration of organised retail.

As higher number of foreign brands test Indian waters, some malls are changing their market positioning, while others are opting for a retail mix to remain relevant to catchment of the mall and changing customer preferences. We are designing and promoting our malls as a one-stop destination, focused on experiences where families and friends can spend an entire day entertaining themselves through various dining options, movies and activities for all age groups. Entertainment zones such as multiplexes, family entertainment centres and bowling alleys offer high levels of engagement with customers, thereby attempting to generate incremental sales through impulse purchases.

Indian Real Estate Sector

Real estate is the second-largest employment generator in India and contributes heavily towards its Gross Domestic Product (GDP) and the fourth-largest sector in the country in terms of foreign direct investment (FDI) inflows. About 5% of India's GDP is contributed by the housing sector, which is expected to rise further in next five years. The real estate sector is projected to grow by 30% over the next decade. The sector is also responsible for the development of over 250 other ancillary industries such as cement, steel, paints, and others. A study by the rating agency ICRA indicates that the construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects on all sectors of the economy.

The Indian real estate sector has become one of the most preferred destinations in the Asia Pacific region, with overseas funds accounting for more than 50% of the investment activity in India in 2014, compared with 26% in 2013, according to an IBEF report on India's real estate sector. During calendar year 2015, PE funds invested about US$ 4.0 billion in the real estate sector, up 72% compared to 2014 and highest investment in a calendar year since 2008. (Source: Cushman & Wakefield)

The market size of India's real estate industry is projected to double from US$ 93.8 billion in 2014 to US$ 180 billion by 2020. It is slated to register 11.2% CAGR during 2008-20, well complemented by growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodation. Emergence of nuclear families, rapid urbanisation and rising household income are likely to remain the key drivers for growth in all spheres of real estate, including residential, commercial and retail.

Government Initiatives

The Government has introduced many progressive measures to unlock the potential of the sector and also to meet the increasing demand levels. Some of these are: 100% FDI allowed in townships, housing, built-up infrastructure and construction development projects through the automatic route, subject to guidelines as prescribed by DIPP (Department Of Industrial Policy & Promotion).

There is also 100% FDI allowed under the automatic route in development of Special Economic Zones (SEZ), subject to provisions of Special Economic Zones Act 2005 and the SEZ Policy of the Department of Commerce.

Key Challenges:

a. *Approval processes:* Multiple approval authorities and processes lead to project delays during various stages. Simplifying the approval process will lead to fewer time and cost overruns and better products and services for customers.

b. *Ramping up execution:* The construction processes in India are highly labour- intensive. However, new technologies such as Mivan and prefabs are being extensively used today. The quality of finishing material is improving. Progressive construction firms have their own labour training institutes which impart

training to external as well as sub-contractors. This, along with the technologies mentioned above, will be able to take care of the execution process.

c. *Legal framework:* Land laws in India are archaic and very little has been done to simplify these. To this day, land remains a state subject, and every state has its own set of rules. Languages in which land documents are registered are different. The regulatory framework still is a big challenge.

d. *Quality and timely delivery:* Today, people have travelled around the globe and are more aware of quality, and hence, dictate terms. If any business is not delivering on quality and time, that business will not be able to survive for a long period of time.

e. *Infrastructure:* The key to any development is to have a well-developed infrastructure in and around the location. With the Government focusing on developing infrastructure in the country, more projects are expected to be announced.

Foreign Direct Investment (FDI)

The construction development sector received total FDI inflows of ₹ 24.07 billion during April 2000 to May 2015 (Source: IBEF). The new Government has taken adequate measures towards reviving the real estate sector. It has created a more transparent and business-friendly environment to attract foreign capital and meet demand for housing and quality commercial spaces.

Real Estate Reforms

The Government initiated certain regulations in 2013. The new government made certain amendments to these regulations in order to safeguard the interests of buyers, ensure transparency and encourage investments to create a healthy real estate ecosystem, one that is beneficial to all concerned stakeholders.

Real Estate (Regulations & Development) Act 2016

The Real Estate (Regulations & Development) Act 2016 is a welcome development for the Real Estate Industry. Consumers will benefit as they are assured of timely delivery of the product along with increased transparency in the way the real estate industry operates. This should result into increased consumer confidence while buying a product and reputed companies like ours will be the biggest beneficiaries of this act in the long run. There will be consolidation in the industry going forward and only the developers who are committed to providing a time-bound deliver of a quality product will survive.

Under The Real Estate (Regulations & Development) Act 2016, developers have to register their projects before they can start selling. For on-going projects which have not received commencement certificate at the time of commencement of this act, the developer is required to register them within a period of 3 months. Further, the act posits that 70% of project funds are deposited in a separate account, thereby eliminating diversion of funds by developers. Furthermore, should a project be delayed, the act imposes strict fines on

Globally, REITs have demonstrated the ability to attract and effectively manage investments in the real estate sector. Besides other advantages, REITs bring increased transparency in the sector by adopting better corporate governance.

the developers while giving the customer the option to either receive the compensation or exit the project, thus empowering the customer.

In the short term, capital values should see some increase as the cost of capital as well as compliance cost for a developer goes up. However, this short term pain will result in long term gains for the Industry as whole emerging as consumer-friendly, transparent and most importantly – positive sentiment. We, as a company whole-heartedly welcome this change and look forward to an early implementation of this Bill.

Real Estate Investment Trusts (REITs) & Infrastructure Investment Trusts (InvITs)

Real Estate Investment Trusts (REITs) are pooled investment trusts that predominantly invest in completed, revenue-generating real estate properties, manage such properties and distribute a major portion of the earnings to their investors. The concept of REIT was first introduced in 1960s in the United States. Realising the benefits that a REIT provides, other countries (such as Australia, the UK, Germany, and Singapore, among others) introduced REIT legislations subsequently. Globally, REITs have demonstrated the ability to attract and effectively manage investments in the real estate sector. Besides other advantages, REITs bring increased transparency in the sector by adopting better corporate governance.

In the Budget 2016, Hon. Finance Minister proposed the removal of Dividend Distribution Tax (DDT). The industry awaits more clarity on exemption of Capital Gains tax and Stamp Duty to be paid to the State Government while transferring assets to REIT's holding company on dividends paid to the unit holders.

Real Estate Sub-Sectors

The real estate sector comprises of four sub-sectors: housing, retail, hospitality and commercial. FY2016 was a mixed year from a real estate point of view, with a stable government in place which announced a series of reforms and policy initiatives to stimulate growth. In CY2015, the residential segment witnessed subdued demand, primarily due to high prices and reducing financing costs leading to many interested home buyers sitting on the fence. Commercial real estate market fared well amidst an improvement in the overall economic sentiment and better absorptions. The retail real estate segment witnessed subdued performance with a total of approximately 1.13 million sq. ft. added during January-September 2015. Mall rentals remained stable across existing and new malls. (A Cushman & Wakefield Report: India Real Estate – Resurgence on the Anvil).

Looking ahead, the outlook for the sector continues to be positive with the economy at the cusp of growth and on its way to become the world's fastest-growing economy. Accommodative monetary policy and moderation in inflation led to a ramp-up in demand and sales, with developers concentrating on delivering projects as per the scheduled timelines and increasing the turnover of the existing inventory.

Residential Sector

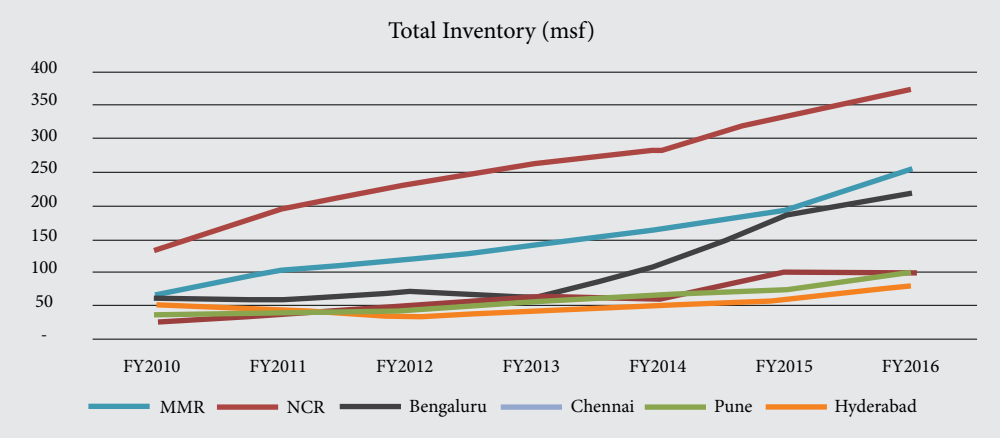
The residential sector witnessed continued subdued sentiments from end-user consumers on account of a range of challenges such as slow project approvals, low funding and tepid demand in the sector. Owing to subdued investment sentiments, the period between January-September 2015 witnessed launches of approximately 77,900 units across top 8 cities, registering a 36% decline from the corresponding period last year. With lesser-than-expected sales in the residential sector, developers focused on completing existing projects, rather than launching new projects. Capital values showed a mixed trend across cities, based on local market forces. *(A Cushman & Wakefield Report: India Real Estate – Resurgence on the Anvil)*

The medium and long-term growth outlook of India's housing sector remains strongly backed by positive demographics, rising disposable incomes, expected softening of interest rates and moderation in inflation. This opportunity is not

limited only to the metros, but percolates to Tier II and Tier III cities as well.

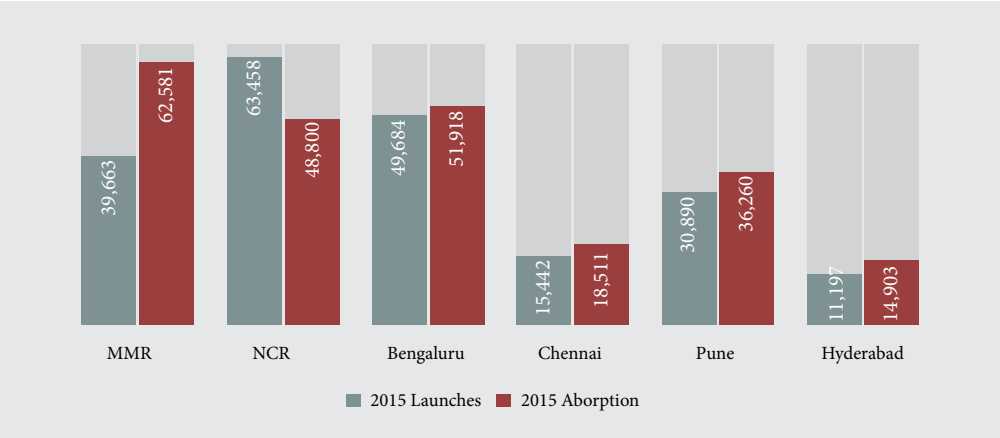
In terms of supply, existing under-construction and planned supply of 1.4 million housing units is expected to be delivered across eight cities during 2015-19, the Cushman & Wakefield Report stated. The demand is roughly 2.5 times more than supply expected across the top right cities – generating a huge demand supply mismatch. Demand is expected to be 3.4 million units during 2015-19 across India's top 8 cities, as per a projection by the Cushman & Wakefield Report. Overall urban housing demand in India is expected to be nearly 15 million units by 2019 end led by population growth and the rapid rate of urbanisation in the country. Rapid migration, increasing income levels and changing urban demographics are placing increasing pressure on the cities to provide housing for the growing population. Initiatives of the Government and allocation of funds for affordable housing will help in addressing the housing shortfall with collaborative efforts by public and private stakeholders.

Total Residential Inventory (Million Sq. Ft.)



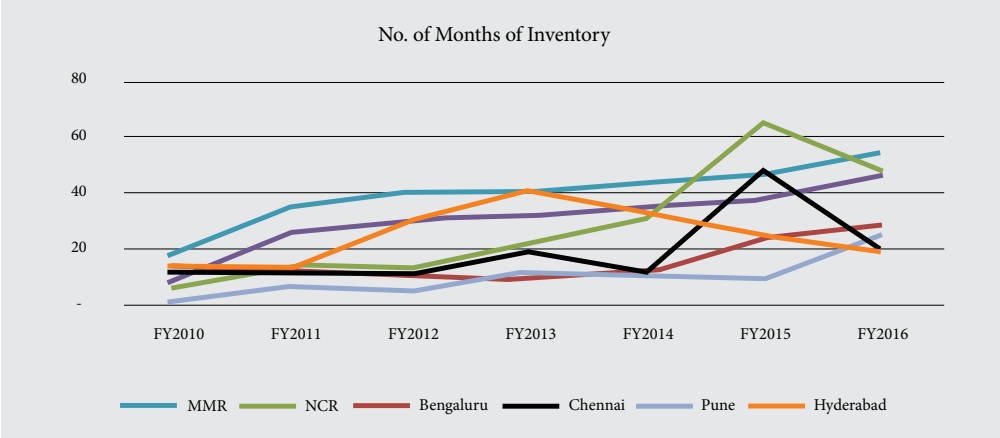
Source: Liases Foras

Demand and Supply in 2015



Source: Knight Frank Indian Real Estate, Residential & Office (July-Dec'15)

Inventory in Different Cities



Source: Liases Foras

Commercial Sector

A growing economy leads to increased commercial activity and development. Key factors driving investments in this segment are: rising occupancies, on-the-rise rentals and pricing, higher growth in demand vis-à-vis supply. Factors such as location, infrastructure, connectivity, facilities and amenities also play a significant role. The rate of growth of IT/ ITES sector in the country has also fuelled opportunities in the commercial segment.

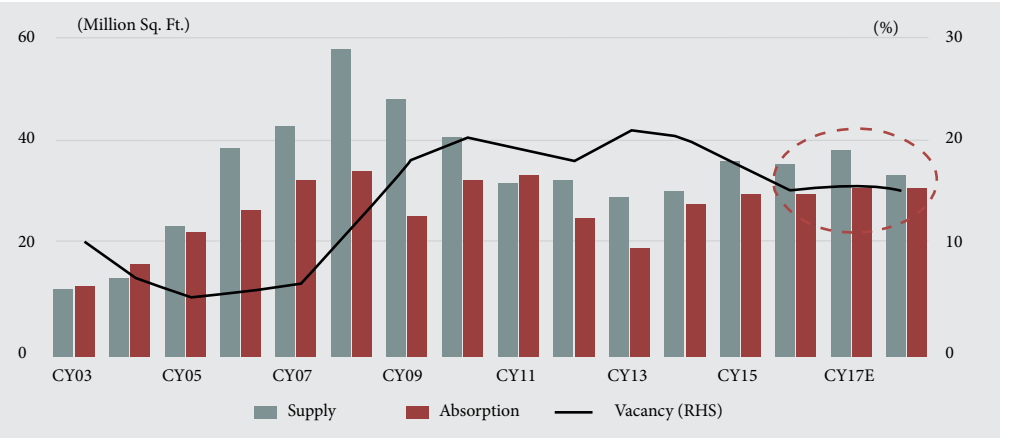
In 2015, the commercial office real estate sector gained momentum as companies looked at expansion and consolidation as a result of improving business sentiments. It was an eventful year for the commercial real estate segment in India. The sector recorded a marginal revival this year, marked by higher supply and a slight increase in leasing activities with companies undertaking consolidation and expansion in anticipation of greater growth. Positive policies, initiatives and reforms introduced by the government led to an improvement in the overall sentiment. A pick-up in GDP growth, manageable current account deficit and fiscal deficit as well as moderation in inflation, led to companies revisiting their office space requirements and reviving their expansion plans, resulting in a significant ramp-up in demand and absorptions.

In 2015, India's office space absorption stood at 35 million sq. ft. of Grade A supply across top 8 cities. This is the second highest figure in India's history after 2011 and is largely driven by corporates implementing their growth plans. India had the strongest activity in office leasing space in Asia and accounted for half of Asia's total office leasing in the third-quarter of 2015. Occupiers were buoyed by a positive business sentiment brought about by stronger economic growth and also evaluated newer workplace options with better facilities as they consolidated their operations in top cities.

Among the top 8 cities, Bengaluru and NCR became the most preferred markets for developers, backed by increased occupier interest, especially in IT-ITES and e-Commerce sectors. Delhi-NCR led with the highest Grade A supply this year at 8.9 msf, with Bengaluru close on the heels at 7.6 million sq. ft. – together accounting for 63% of the total supply. Technology companies were key demand drivers for Grade A properties. Key announcements such as pass through status for REITs, rationalisation in FDI norms, creation of smart cities, among others, are encouraging signs and have further boosted sentiments.

Going forward, as economic revival picks up pace, demand for office real estate is expected to gain traction. Capital and rental values may also see a moderate increase and rentals for Grade A properties are expected to see an upward pressure, with vacancy levels most likely to move downwards.

Pan India Absorption Supply – Top 7 Cities



Source : Liases Foras

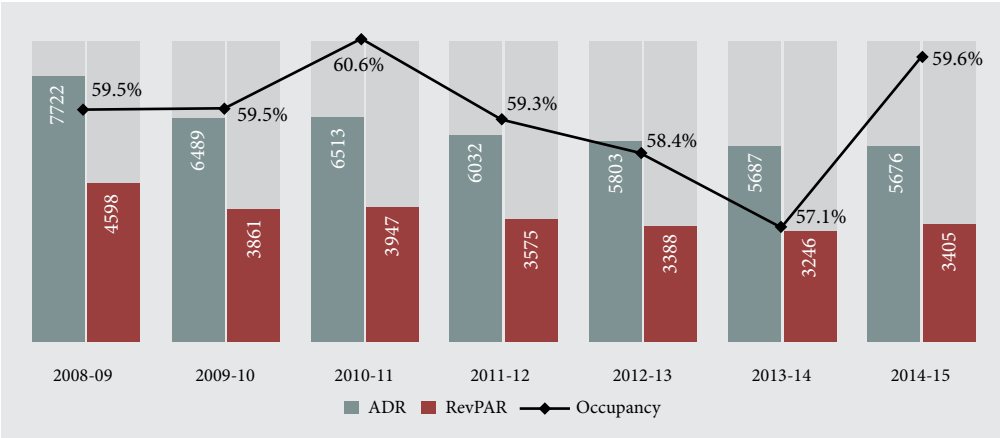
Hospitality Sector

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sector in India. It contributed nearly US$ 187.9 billion or 12.5% to India's GDP in FY2015, while growing the fastest at 11.7% CAGR over the period 2011-12 to 2014-15 (http://www.ibef.org/industry/tourism-hospitality-india.aspx). It generated 4.9% of total employment (36.7 million jobs) in 2014 (Source: WTTC). It is expected to generate 13.45 million jobs across sub-segments. The direct contribution of India's travel and tourism to GDP was US$ 37.5 billion (₹ 2,478 billion) in 2014 and is poised to grow. Hospitality sector is the third largest foreign exchange earner in India. The estimated size of the Indian hospitality industry stood at $38 billion in 2014. India is known for its luxurious hotels and famed hospitality, with many of the country's hotels being included amongst the world's best hotels. (Source: IBEF)

Various initiatives of the Government such as Make in India and Digital India have encouraged foreign hotel chains to chalk out expansion plans for the country. India is also growing in popularity among foreign travellers, with 30 world heritage sites, 25 bio-geographical zones and world-class hotels. The number of Foreign Tourist Arrivals (FTAs) has grown steadily in the last three years reaching around 7.103 million during January-November 2015 (recording 4.5% growth). The number of FTAs in November 2015 was 815,000, registering 6.5% increase over November 2014. Foreign Exchange Earnings from tourism during January-November 2015 stood at ₹ 112,958 crore (US$ 16.94 billion), registering a growth of 1% over the same period last year (Source: IBEF). Domestic travel spending, which constitutes ~81% of the total travel spending, is expected to grow almost 10-fold from US$ 1,098 billion in 2013 to US$ 9,657 billion in 2024 (Source: WTTC). The top 8 cities achieved an Average Occupancy Rate (AOR) of 60% in first half of 2015. Occupancy in top 8 cities has been rising with Mumbai recording the highest level of occupancy at 70%.

Hospitality sector is the third largest foreign exchange earner in India and the focus is shifting towards high domestic demand within the luxury and upscale hotel space in the country.

Rise in ADR, REVPAR and Occupancy over the Years



Source: ICRA Report

Outlook

Domestic tourism, which has been a strong source of demand for the hospitality sector, may further get a boost with travellers choosing domestic destinations over foreign ones due to significant devaluation in the Indian rupee. The promise of steady governance and economic development further enhanced the spending power of domestic travellers. With expansion plans of various brands into Tier 2 and 3 cities, and a robust pipeline and demand growing at similar rates, the outlook of travel and tourism industry seems extremely positive. Occupancy levels are likely to rise in the next few years, with additional supply of over 30,000 keys, combined with a steady growth in demand. The focus is shifting towards high domestic demand within the luxury and upscale hotel space in the country.

Company Overview

The Phoenix Mills Limited (PML) specialises in the ownership, management and development of iconic large format retail-led mixed use properties that include shopping, entertainment, commercial, residential and hospitality assets, aggregating 17.5 million sq. ft. over 100 acres. We are the "Number 1" retail mall developer, owner and operator in India, with the largest retail portfolio. Along with our investees, we have interests in 9 irreplaceable large scale retail assets, making up close to 6.0 million sq. ft. across 6 Indian city centres.

Under the Retail segment, we run 7 malls in 6 cities, clocking total consumption of ₹ 54 billion in FY2016. We have two more malls currently under development. In the Residential segment, we have 5 residential projects under construction, aggregating 5.5 million sq. ft. saleable area. Under Commercial and Hospitality segments, we have 5 Commercial Centres in 2 cities and 2 completed hotel projects (588 keys) managed by renowned global operators. With the launch of our prime residential and commercial properties in Bengaluru, Chennai and Pune, and with commencement of our five-star hotel, Courtyard by Marriott, Agra, during FY15, we are emerging as a leading realty company of India – one that is highly integrated and asset-class diversified.

Operational Review

Advantage Phoenix Mills Limited

During FY2016, our malls stood at a critical inflection point. They are the heart and soul of the communities and a social sanctuary for the younger generation. Our malls are not primarily about traditional shopping alone, but a full-blown modern retail trend driving the need for a useful, engaging and entertaining consumer experiences. Our mixed-use developments are the preferred destinations for living, shopping and working within walking distance. Phoenix Mills Limited (PML) is suitably positioned to capitalise on changing demographics, increased urbanisation and the need to socialise and congregate.

Our Underlying Pillars of Strength

Creation of a Location Advantage

We own, manage and develop iconic large format retail-led mixed use properties that include shopping, entertainment, commercial, residential and hospitality assets. Development of mixed-use properties with residential, commercial or hospitality asset helps us in building the right catchment for the asset.

> We own, manage and develop iconic large format retail-led mixed use properties that include shopping, entertainment, commercial, residential and hospitality assets.

Design Advantage

We specialise and demonstrate superior creativity in strong architectural design of our super luxury, premium and iconic malls. This offers the patrons the ease of mall circulation and movement. In addition to this, efficient lighting, air conditioning, washrooms, common areas create the right environment. Our premium interiors with art installations and decoration evoke customer interest. The large size of our malls enables a wide mix of retailers, along with atriums for conducting events and adequate parking space for 4-wheelers and 2-wheelers.

Tenant Intelligence and Relationship

Our perpetual aim is to retain our existing domestic and international retailers and also constantly bring in new retailers into India. Our right brand mix caters to different sections and needs and creates an effective balance of anchor and non-anchor brands. We are constantly improving the brand mix and positioning of the mall, keeping in mind the maturity of the Centre and the evolution of the residential and commercial catchment around it. For e.g., a large hyper market is relevant when the mall commences operations; in fact it is essential to bring footfalls to drive consumption. However, as positioning of the Centre and quality of footfalls improve, the hypermarket can be right-sized in line with the consumer profile and the balance area can be used to accommodate a departmental store, F&B outlets or entertainment zones for children and adults.

Proactive Leasing

We believe that intelligent space management and efficient zoning holds the key to higher trading densities. Our aim is not to gain 100% occupancy in any of our malls. Space availability enables

our Mall Management Team to offer a refreshing experience to our patrons in terms of new brands and relocation of existing brands. We aim at diligent planning and space usage optimization to improve customer experience and maximize consumption at the malls.

Marketing Strategy

Our marketing strategies are aimed towards effectively allocating and coordinating marketing resources and activities to be accomplished and to keep pace with consumer behaviour that is constantly evolving. Our constant aim is to ensure that every element of the marketing mix fits together to deliver a coordinated and integrated appeal to our target customers.

Our Project Portfolio

Our key strategy is to maintain our market leadership as an active owner, developer and manager of prime retail-led assets in the city centres of India. By way of active management of our retail destinations, commercial centres and hospitality assets aimed at income and capital growth, we focus on delivering added value to our shareholders. The retail segment contributed 63% to our total revenues in FY2016. Business consumption at our malls was strong at ₹ 54 billion in FY2016, up 10% over FY2015. It has registered 38% CAGR growth over the last four years. Rental income has increased from ₹ 6.5 billion in FY2015 to ₹ 7.1 billion in FY2016. Our world-class assets grant us the opportunity to earn better than normal rental yields with handsome upsides and cash flows. A strong pipeline of brands is willing to take up the limited space availability and the incremental leasing renewals are being entered at a higher license fee vis-à-vis other centres.

Today, we have 7 malls under management with a gross leasable area of approximately 5.6 million sq. ft. in Mumbai, Bengaluru, Chennai, Pune, Lucknow and Bareilly. One luxury mall in Chennai (0.22 million sq. ft. leasable area) is currently under construction, while Phoenix Paragon Plaza at Kurla, Mumbai is partly operational and under fit-outs. We recorded strong performance in our hospitality assets, which contribute 14% of the total revenue in FY2016. The occupancy at St. Regis Hotel, Mumbai was 72% with an ADR of ₹ 9,284 in FY2016. Courtyard by Marriott, Agra, was operationalised in FY2015 and has established itself amongst the best in the city in a short span of time. The property recorded 45% occupancy in FY2016 with ADR of ₹ 4,509.

Our commercial (8% of revenue) and residential (15% of revenue) assets with nearly 7.5 million square feet of saleable area which is completed or under various stages of construction. Of the total leasable / saleable area of 1.71 million sq. ft. in the commercial segment, an area of 1.03 million sq. ft. has been sold for a total value of ₹ 9,160 million, while 0.23 million sq. ft. area has been leased. Going forward, we expect to lease the balance area. In the residential segment, we did cummulative sales of 1.78 million sq. ft. with a total sales value of ₹ 17,953 million. Through all of these assets, we showcased our capabilities in creation of large-scale world-class retail destinations and delivery of multiple projects within time and budget.

Awards

- **India Shopping Centre Awards by Images Group**
  Recognised High Street Phoenix and Palladium as "Shopping Centre of the Year (West) - Metro" in 2016
- **India Shopping Centre Awards by Images Group**
  Recognised High Street Phoenix and Palladium as "Shopping Centre of the Year – Sales per Sq. Feet" in 2016
- **Retail Excellence Awards**
  Recognised High Street Phoenix and Palladium as "Shopping Centre of the Year" in 2016
- **Images Shopping Centre Award**
  Recognised HSP as 'Most Admired Shopping Centre of the Year' twice in 2015

0.74 Million Sq. Ft.
Total Leasable Area

92%
FY16 Occupancy

273
No of Stores

₹ 15,438 Million
FY16 Consumption

₹ 2,741 psf pm
FY16 Trading Density

₹ 289 psf pm
FY16 Rental Rate

₹ 2,601 Million
FY16 Rental Income

16%
Percentage of Area due for Renewal by FY2017

HIGH STREET PHOENIX & PALLADIUM MALL

High Street Phoenix & Palladium, Mumbai

A Heaven Of Style And Fashion

High Street Phoenix and Palladium, Mumbai has become the shopping paradise for the city's crème de la crème. The Complex is one of the largest shopping destinations in Mumbai and is India's first retail-led consumption centre developed over a sprawling 3.3 million sq. ft. Premium location, urban appeal in a clean and stylish neighbourhood, presence of high-end national and international brands catering to different sections keeps us in good stead.

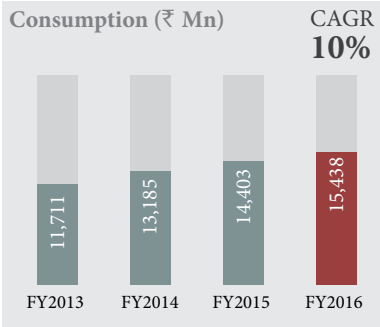
The mall recorded an aggregate business consumption of ₹ 15,438 million during FY2016 vis-a-vis ₹ 14,403 million in the previous year, growing by 7%. Average occupancy for the full year was 92%.

We have signed a number of top retailers from across the world, some of whom would be opening their first store in India offering the urbane globe-trotting consumer a chance to shop at their favourite International brands in Mumbai. Key brands that set up shop at the mall during FY2016 include international fashion apparels such as Tod's and Armani Jeans; premium lingerie brands such as La Senza, Wacoal and CKU; exclusive sports brands such as Columbia, Asics, Skechers and Speedo; and F&B brands such as Papaya, British Brewing Company (BBC) and Social. Retailers, both foreign and domestic, continue to line up for space at the mall owing to its brand image and prime locality, niche category audience, comprehensive brand mix and a complete experience for the consumers.

Throughout the year, we organise several events to bring unique experiences to the consumers visiting the mall and extend extensive brand support to promote the relevant retailer brands during these events. Awestrung witnessed its biggest edition, with over 4,000 people attending the concert featuring the mesmerizing Lucky Ali and Rang. The International Clown Festival was conducted for the 4th year running with clowns from USA and Mexico. A Mall Run was conducted in association with Standard Chartered Mumbai Marathon 2016 to promote the launch of the 1st Asics store in the city. The first edition of the Phoenix Corporate Soccer League was a runaway success at the Courtyard. The event witnessed 36 teams participating in a 2-day power packed tournament which included strategic alliances with Adidas and United Spirits Limited – Diageo.

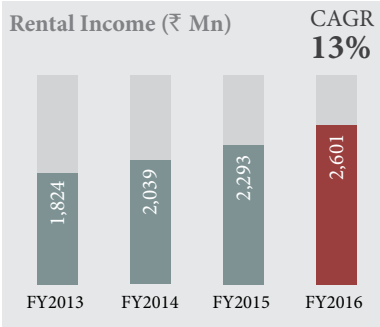
We continue to undertake physical renovations and infrastructure upgrade at the mall to keep a fresh look and improve consumer convenience. In terms of mall upgrades during the year, the flooring at the Courtyard has been refurbished to enhance the look and feel; walkway canopies on the open areas and LED screen were also installed. Area enhancements have been done in Big Bazaar to make space for H&M while outlets of Hamley's and Aldo were resized to create additional space for Fashion Big Bazaar.

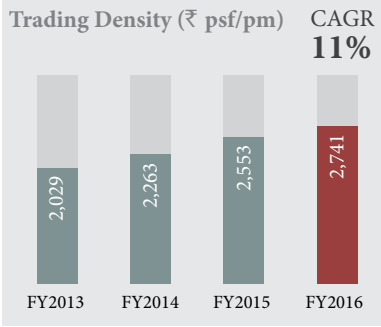
In line with our holistic lifecycle approach, we promote environmental sustainability to stakeholders beyond green building design and sustainable mall management practices. Our tenants reinforce the mall's positioning as an eco-friendly and family-friendly mall. We promote green best practices such as recycling, reusing and reducing throughout the mall and inculcate eco-friendly practices. Several sustainability practices have been implemented such as recycling of water for gardening and prevention of water wastage, waste management practices and ensuring optimum utilisation of electricity.

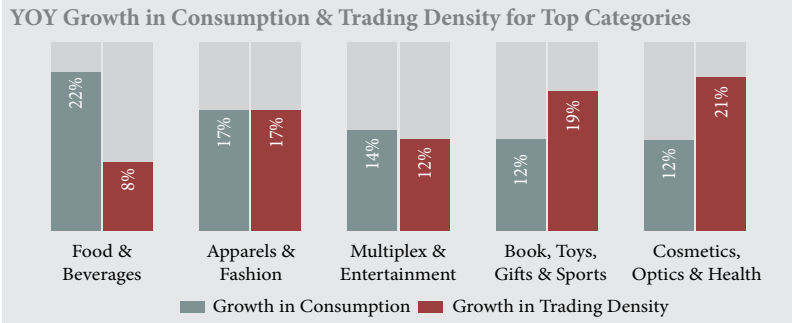


Product Category Contribution

	Percentage of Consumption	Percentage of Carpet Area
Hypermarket & Departmental Stores	30%	32%
Apparels & Fashion	21%	22%
Food & Beverages	11%	13%
Electronics	10%	3%







Awards

- **CNBC Awaaz Real Estate Awards 2013** – "Best Retail Project of the city"
- **Asia's Shopping Centre & Mall Awards 2014 by CMO Asia** - PMC Chennai" "Most Admired Shopping Centre of the year"
- **Phoenix MarketCity Chennai Awarded** – "Best Malls & Shopping Centre of the Year 2015 – Operational Mixed Used Development" by Estate Avenues.
- **Construction Industry Award 2015** – Excellence in Commercial/Mixed Use - Development

1.00 Million Sq. Ft.
Total Leasable Area

94%
FY16 Occupancy

264
No of Stores

₹ 11,289 Million
FY16 Consumption

₹ 1,572 psf pm
FY16 Trading Density

₹ 109 psf pm
FY16 Rental Rate

₹ 1,196 Million
FY16 Rental Income

54%
Percentage of Area due for Renewal by FY2018

PHOENIX MARKETCITY, CHENNAI

Phoenix MarketCity, Chennai

Luxury gets a New Address!

Phoenix MarketCity in Chennai perfectly marks the convergence of shopping, dining, entertainment, art, architecture and design. Spread over 3.7 million sq. ft. of built-up area, the mall offers a lavish spread of shopping, entertainment and hospitality space, strongly emerging as the centre of ultimate indulgence. With occupancy at 94% for the year, Phoenix MarketCity at Chennai registered consumption of ₹ 11,289 million with a trading density of ₹ 1,572 per sq. ft. per month.

In its third full year of operation, the mall has brought about a paradigm shift in the way city shops, offering the fashion conscious Chennaite a choice to indulge in a myriad of retail options. It has become the consumption centre for the city and is a place where the people of Chennai like to congregate and spend their day well.

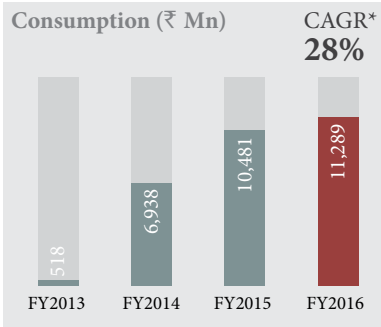
From a location point of view, what is working to our advantage is that the city of Chennai is growing towards Velachery. South Chennai is evolving as a commercial hub along the Old Mahabalipuram Road (OMR) and Grand Southern Trunk Road (GST), with presence of large IT SEZs, IT parks and manufacturing units. Being in proximity to the American and Korean Consulate, we are building connect with the expatriate population too.

The mall has the right mix of brands leaving the consumer spoilt for choice. Domestic apparel and departmental store brands as well as the international brands have performed well and we continue to remain upbeat about their performance outlook. During FY16, we enhanced the kids section in the Mall by adding four key brands, including Tommy Hilfiger and Nautica. In fine dining, we are improving the category further – the introduction of the American coffee house chain, Starbucks, along with the latest addition of Punjab Grill and other premium fine-dining options have helped the mall in catering to the taste buds of food aficionado.

Going by the performance since inception, Chennaites have embraced the mall with open arms and their taste is changing towards luxury retail. We have responded to this demand by designing our high-end luxury mall, Palladium, alongside Phoenix MarketCity Chennai. Our key focus area behind this is to consolidate and build upon the foundation laid in the past three years. The mall has come up as destination of first choice for shoppers and has laid a strong foundation for the launch of Palladium, scheduled to open during FY17. The malls will offer upscale, well-designed spaces housing the world's choicest brands and luxury labels for men and women.

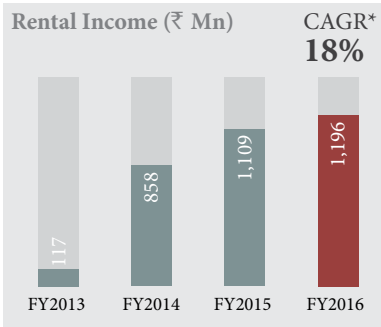
We believe that Corporate Social Responsibility is not just a duty, but an approach towards existence. In December 2015, when Chennai was pounded by heavy rains and floods, we opened our doors to people for immediate relief with hot food and fresh water.

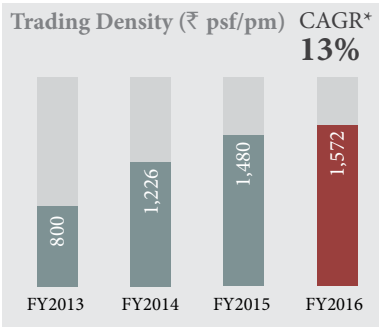
We have adopted several innovative and sustainable features throughout the mall aimed at minimising environmental impact and preserving natural spaces. We have taken several key measures for energy and fuel conservation, water-efficient strategies and efficient waste management systems, which led to significant savings.

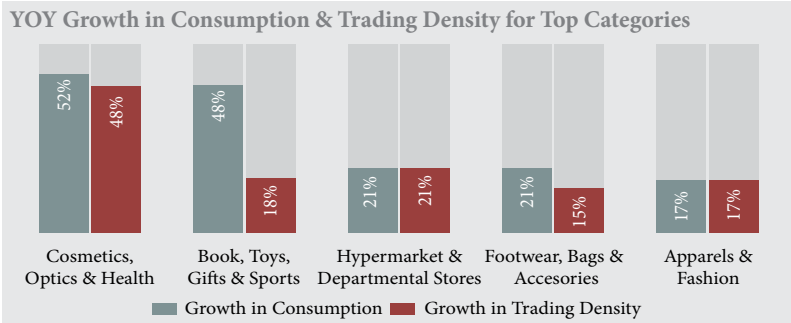


Product Category Contribution

	Percentage of Consumption	Percentage of Carpet Area
Hypermarket & Departmental Stores	28%	31%
Apparels & Fashion	19%	20%
Electronics	12%	4%
Food & Beverages	10%	10%







* CAGR for the period FY2014-16

Awards

- **CNBC Awaaz Real Estate Awards 2013** – Best retail project of the city - PMC Bengaluru
- **Asia's Shopping Centre and Mall awards 2014** – Most admired marketing campaign of the year PMC Bengaluru

0.98 Million Sq. Ft.
Total Leasable Area

87%
FY16 Occupancy

301
No of Stores

₹ 8,859 Million
FY16 Consumption

₹ 1,287 psf pm
FY16 Trading Density

₹ 91 psf pm
FY16 Rental Rate

₹ 958 Million
FY16 Rental Income

36%
Percentage of Area due for Renewal by FY2017

PHOENIX MARKETCITY, BENGALURU

Phoenix MarketCity, Bengaluru

Where Bengaluru likes to Shop

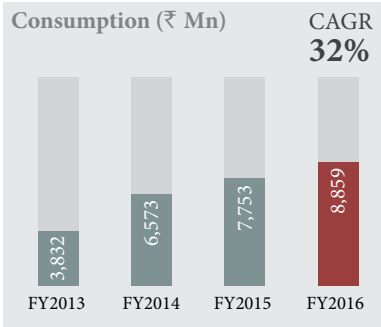
Phoenix MarketCity, Bengaluru stands as a premier and the ultimate shopping destination located on the Whitefield Road in Bengaluru. Whitefield has emerged as a prime business district with number of SEZs and Business centres fuelling the growth of Residential and Commercial developments in the surrounding area. The mall has become a centre of indulgence for the people of the garden city with best brands from international and local markets under a single roof. The sprawling 4-level shopping retail hub has earned the repute of being one of the most popular hangout places in the city, spread over 15 acres of land and 0.98 million sq. ft. of leasable area.

Total Consumption during the year was ₹ 8,859 million with an average Trading Density of ₹ 1,287 per sq. ft. per month. Consumption and Trading density growth during the year was 14%. We ended the year with average trading occupancy of 87%

Categories such as Cosmetics, F&B and Apparels & Fashion registered strong consumption growth of 26%, 23% and 18% respectively. A key addition during the year has been the Home category – Home Town – which has been well received by our customers. In the F&B category, Hanoi, our Vietnamese restaurant, has been a huge hit, while Social, which opened during the year, has helped improve the nightlife experience.

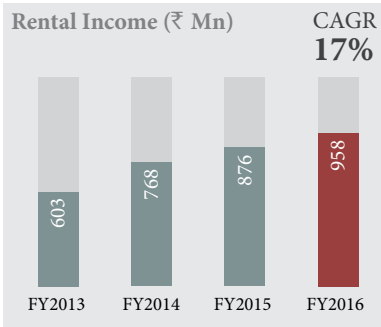
To enhance the look and feel of the mall, we introduced plants, green areas and ornamental pieces in the common areas. Besides adding new brands, we are resizing and relocating existing brands to ensure higher business for our retailers and revenue maximisation for our mall. We improved customer experience by focusing on events. This year, we aim to continue the "Phoenix Face of the Year" event for the second time, wherein the registered participants will be trained to become models. Our Shop & Win programme offers high-end freebies and bumper prizes to participants. We also focused on community centre marketing and started a magazine for the Japanese community.

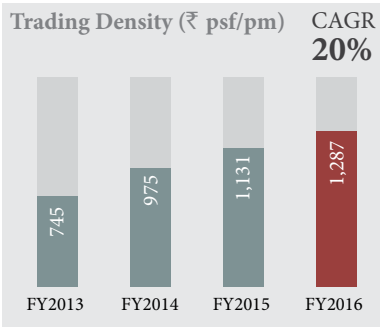
Phoenix MarketCity Mall has been designed, built and managed with environmental sustainability in mind. It was conceptualised as a prototype of an eco-friendly and community-friendly shopping mall with a comprehensive range of innovative energy and water efficient features and numerous green innovations. The energy efficient features helped the mall reduce total energy usage and also reduce carbon dioxide emissions. We also initiated the usage of friendly disposable plates of sugarcane for the food court. Water efficient features helped reduce operational costs and save on water. Water from the Sewage Treatment Plant which was till now used only for flushing and gardening will now be treated in the RO plant and used for Air Conditioning, thereby reducing our dependence on external water supply.

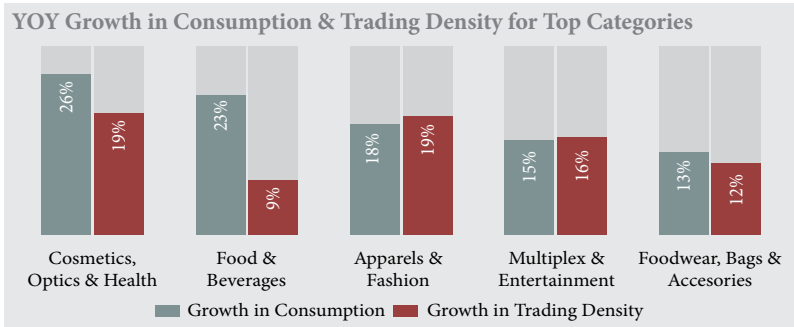


Product Category Contribution

	Percentage of Consumption	Percentage of Carpet Area
Apparels & Fashion	30%	32%
Jewellery and Watches	21%	5%
Electronics	12%	6%
Food & Beverages	10%	9%







1.13 Million Sq. Ft.
Total Leasable Area

87%
FY16 Occupancy

319
No of Stores

₹ 8,659 Million
FY16 Consumption

₹ 1,077 psf pm
FY16 Trading Density

₹ 87 psf pm
FY16 Rental Rate

₹ 1,035 Million
FY16 Rental Income

33%
Percentage of Area renewed in FY 2016

Awards

- **Phoenix MarketCity Pune is awarded as IMAGES Most Admired Shopping Centre of the Year:** Non-Metros (West) at Images Shopping Centre Awards 2016
- Phoenix MarketCity Pune is awarded as Retail Property of the Year (West) by Indian Retail Awards 2016
- Phoenix MarketCity Pune is awarded as Marketing/Advertising Campaign of the Year by Indian Retail Awards 2016
- Phoenix MarketCity Pune is awarded as Retailer of the Year at Awards for Retail Excellence 2016
- Phoenix MarketCity Pune is awarded as Retail Marketing of the year – Top Shoppers at Awards for Retail Excellence 2016

PHOENIX MARKETCITY, PUNE

Phoenix MarketCity, Pune

An Unparalleled Level of Luxury

Phoenix MarketCity, Pune is a dynamic retail-led, mixed-use destination providing the ultimate leisure, entertainment and designer shopping experience. A world-class shopping experience coupled with the right brand mix and zoning and presence of high-end international brands has led to increasing footfalls and rising consumption. The mall is strategically located on main Nagar Road which has emerged as the preferred Residential zone due to IT/ ITeS offices, good social infrastructure, proximity to Airport and self-sustaining Integrated Townships like Magarpatta City and Amanora Park Town.

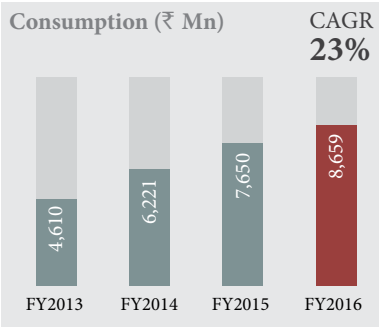
With full year average occupancy of 87%, Phoenix MarketCity at Pune registered consumption of ₹ 8,659 million with a trading density of ₹ 1,077 per sq. ft. per month. During the year, our consumption grew 13%, while Trading Density grew 10%. A significant portion of the mall (33%) was renewed in FY16 at good premium to the old rates which will reflect in the rental income during FY2017.

During FY16, we added international fashion brands such as Forever 21, Brook Brothers, Kenneth Cole and Gant to bring the international shopping experience to Pune. Restaurants such as Shizu San and Cafe 212 were also added to the mall to enhance the fine-dining options. Burger King, Home Town, Crossword, Brook Brothers, Royce, Forever New, Toni & Guy, Royal Enfield Designer Store and Made to Measure were some of the other more premium additions during the year. We endeavour to get the best of International brands into Pune and look forward to welcome a host of top brands into our mall in the coming year.

The mall worked towards creating unique consumer engagement initiatives under different pillars such as Art & Exhibitions, Fashion Events, Musical delights, Evangelist programs, Direct consumer connect activities and CSR activities. We also conducted category-based events and promotions – events such as Style Icon, Eco Fashion Show and Fashion Influencers connected shoppers with the right brands while events such as 20:20 Super Hours, OktoberFest, DJ evenings, International & National Musical Concerts and T20 Campaign supported our F&B growth.

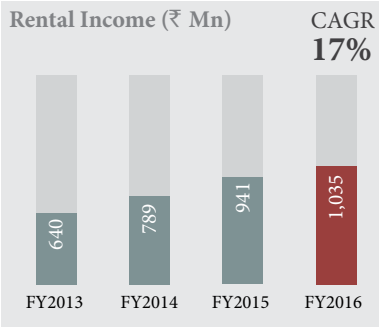
We continue to upgrade and improve upon our infrastructure to bring a sense of newness to the mall. During the year, we added the Liberty Square (Courtyard), 2 LED screens and Alfresco seating for five restaurants. To improve the look and feel, we added atrium chandeliers and linear atrium down lighters. The north and south façade of the mall are also being upgraded. We have an extensive plan to add directional and SOH signages, along with exclusive art installations at strategic locations. Large F&B formats will also be added on the 3rd level so as to create a complete fine dining destination.

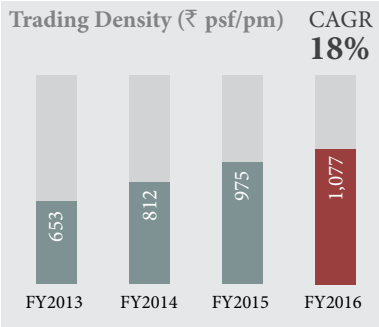
Our commitment to business sustainability and excellence is part of the corporate ethos. We are focusing on the green theme and pride ourselves as the first eco-mall in Pune. We are winning several awards for our environmental and CSR initiatives. Through the year, we have done various philanthropic activities supporting causes such as Cancer Awareness and Swachh Bharat, among others. We envision it to be a shopping mall for families to congregate, play and shop, while allowing them to enjoy an eco-friendly experience and learn more about the environment.

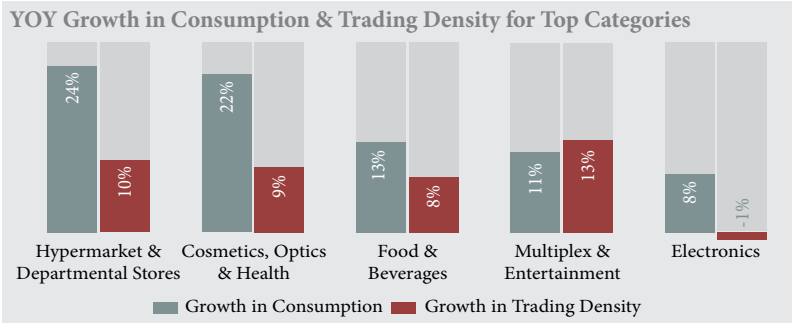


Product Category Contribution

	Percentage of Consumption	Percentage of Carpet Area
Hypermarket & Departmental Stores	31%	35%
Apparels & Fashion	18%	14%
Electronics	11%	4%
Food & Beverages	9%	9%







FY2013
Some of the top International & Domestic brands made Phoenix MarketCity their home along with several options for F&B and Entertainment

FY2014
Catchment area of mall starts improving with launch of several residential and commercial projects in the vicinity

FY2015
Major Infrastructure Projects become operational improving the connectivity to Kurla

FY2016
Opened 8 F&B concepts, including a Nightclub. Dublin Square becomes operational and a roaring success.

Awards

- Largest Organization in Mumbai's Hot 50 Brands by Paul Writer
- Most Admired Shopping Centre of the Year (West) by Asia Africa GCC Retail and Shopping Centre Congress and Awards
- Premium Shopping Malls 2015-16 by Times Retail Icons

1.11 Million Sq. Ft.
Total Leasable Area

87%
FY16 Occupancy

310
No of Stores

₹ 5,957 Million
FY16 Consumption

₹ 797 psf pm
FY16 Trading Density

₹ 88 psf pm
FY16 Rental Rate

₹ 954 Million
FY16 Rental Income

43%
Percentage of Area due for Renewal by FY2017

PHOENIX MARKETCITY, MUMBAI

Phoenix MarketCity, Mumbai

Wowing The Consumer

Phoenix MarketCity has become an integral & popular part of Central Mumbai's shopping universe, delighting its patrons with more than 350 signature stores, great dining options & amazing entertainment avenues. It is located in proximity to Mumbai's key commercial district, Bandra-Kurla Complex (BKC), and has good connectivity from both eastern and western suburbs. The mall offers an unparalleled shopping experience with wide walkways featuring high-end domestic and international brands, and a great Alfresco Dining & Live entertainment experience at Dublin Square which has helped establish the mall as a destination place offering a unique experience to its customers. Business consumption at the mall grew 9% year-on-year at ₹ 5,957 million during FY2016, while trading density grew 13% to ₹ 797 per square feet per month.

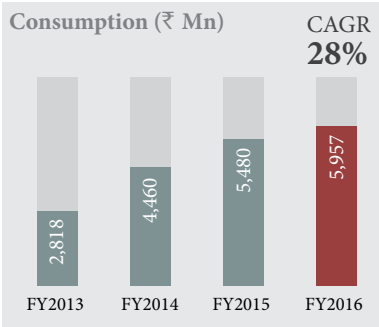
During the year, a total of 42 premium international brands were added, including US Polo, Ed Hardy, CKU, Tommy Hilfiger, Jumbo Electronics, Harry's Pub and Store 99. Several categories were structurally zoned within the mall to ease customer navigation and experience and this reflected in strong growth in categories such as Food & Beverages (up 22% yoy), Apparel & Fashion (up 17% yoy) and Multiplex & Entertainment (up 14% yoy).

We lined up a host of events throughout the year to draw high-quality footfall. Phoenix MarketCity enthralled the patrons with many live music performances at Dublin Square by International and national star performers such as Vengaboys, Bonny M, Edward Maya, Lucky Ali, Kumar Sanu, Abhijeet Bhattacharya, Hariharan, Rekha Bhardwaj, among other artists. The mall curated innovative engagement activities such as Power Women Fiesta, Phoenix Bowling League, Phoenix Kids Chess Championship and Phoenix Laser Tag Championship, which attracted people from cross section of the society. In addition to this, India Dance Week, Shine Young, Glam Icon and Fit Fiesta were also conducted during the year that brought good press coverage for the mall.

The presence of premium offices at Centrium and opening of new offices at Phoenix Paragon Plaza has also resulted in a captive audience at the mall. Further, the launch of Art Guild House (AGH) will result in over 10,000 employees working at AGH on a daily basis which should further drive consumption at the centre.

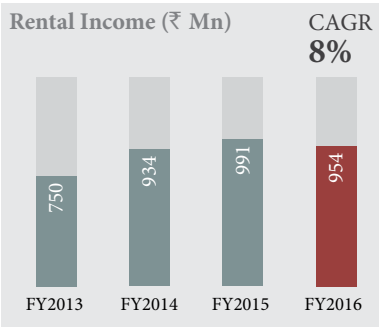
As the mall entered its 5th year of operations, several initiatives were undertaken to enhance mall ambience and offer a delightful shopping experience to the patrons. Notable amongst them were; experience amplification of live events at Dublin square with addition of Al Fresco Dining options, LED screen installation during sports events & mall décor initiatives like chandeliers at atriums & compacting the void areas of the mall with tastefully done planters.

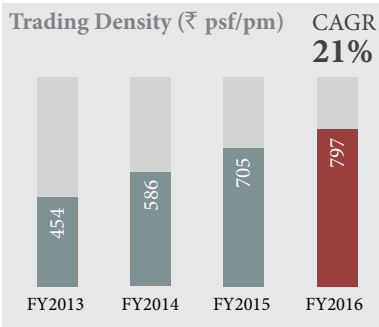
To ensure a seamless shopping experience to customers a digital directory has been installed at various key locations in the mall and a "Smile Centre" has been placed to address and track retailer complaints. The mall also lays a special emphasis on providing premium facilities like Valet service, Wi-Fi connectivity to its customers. In terms of sustainability, several CSR measures were undertaken for electricity and water conservation and efficient management of waste.

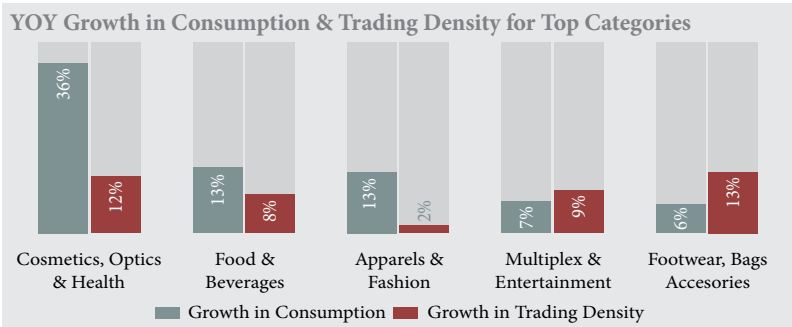


Product Category Contribution

	Percentage of Consumption	Percentage of Carpet Area
Hypermarket & Departmental Stores	38%	35%
Apparels & Fashion	15%	15%
Electronics	9%	3%
Food & Beverages	12%	13%







Phoenix United, Lucknow

Our Retail Portfolio

Phoenix United, Lucknow is located along National Highway NH25, leading to Kanpur, with approximately 0.33 million sq. ft. of leasable area. Phoenix United Lucknow has more than 100 stores and had a trading occupancy of 83% for FY2016 along with average rental of ₹ 58/sq.ft. Rental Income for the full year was ₹ 195 mn. Total consumption at the centre was ₹ 2,025 mn with a trading density of ₹ 882 per sq. ft. per month. During FY2016, The Phoenix Mills Ltd. through its wholly owned subsidiary Big Apple Real Estate Pvt. Ltd. has increased its ownership in Upal Developers Pvt. Ltd. from 77.2% to 100% by buying out the stake of its partners.

Phoenix United, Bareilly

Phoenix United, Bareilly is located along the Pilbhit bypass road, on approximately 3.5 acres of freehold land, with approximately 0.31 million square feet of leasable area. The mall has more than 130 stores and a trading occupancy of 85% for FY2016 with an average rate of ₹ 50 per sq. ft. Rental Income for the full year was ₹ 158 million. Total consumption at the centre was ₹ 1,761 million with a trading density of ₹ 597 per sq. ft. per month. During FY2016, The Phoenix Mills Ltd., through its wholly owned subsidiary Big Apple Real Estate Pvt. Ltd., increased its ownership in Blackwood Developers Pvt. Ltd. from 77.2% to 100% by buying out the stake of its partners.

THE ST. REGIS, MUMBAI

The St. Regis, Mumbai

The strategic location, sophisticated service and refined elegance of The St. Regis, Mumbai, offers its guests an unparalleled experience befitting the destination and true to The St. Regis legacy. With this renowned bespoke and high-end service and exclusive privileges to its guests, The St. Regis is poised to become a destination for discerning luxury travellers and the city's social glitterati.

Starwood Hotels & Resorts made the debut of its iconic luxury brand St. Regis in India with The St. Regis, Mumbai. Located in the heart of India's Maximum City, The St. Regis Mumbai, the country's tallest hotel tower, is a timeless address in the city's premier entertainment and commercial district of Lower Parel. With this, Phoenix Mills Limited has reinforced its commitment to the luxury portfolio. Since rebranding, The St. Regis, Mumbai, has performed well across all metrics during the year under review. All the operational transition and metrics involving experience and service have been consistent with the global brand standards of St. Regis. Total number of rooms stood at 395, out of which 386 were operational during FY2016; compared to 335 rooms at the end of last year. Average Occupancy was higher at 72% vis-à-vis 67% in FY2015, despite increase in available room inventory in FY2016. The Average Rate was ₹ 9,284, higher by 13% compared to ₹ 8,199 achieved in the previous year. Gross revenues grew 27% year on year on back of higher room, F&B and Banquet revenues.

While in-house guests drove large tables at specialty venues, what also attracted patrons is The St. Regis experience. Our consistency and commitment to quality, service and product, brand promise, high-quality and exclusive service, high brand recall at all specialty venues for menu and service have been the key drivers for growth. In addition to this, an enhanced tangible luxury with product and service, exciting F&B, good location, revitalised event layouts and presentation also contributed to growth. Offering convenient access to the commercial districts of Parel and Worli, The St. Regis Mumbai is the new social epicentre for conducting business in the financial capital of India.

A Visible Change

During the year, the Hotel's Banquet section hosted some of the most coveted events of Mumbai, which ensured high quality and quantity of footfalls. There was a visible upgrade of products across areas – including the driveway, porte cochere, lobby, reception and the rooms. The introduction of the St. Regis Drawing Room made its mark in the city and cemented itself as the key meeting place in the city. Seven Kitchens also underwent a visible upgrade in interior design as well as in its F&B displays. The clubs at the Hotel have gained popularity over the months and have become key destinations for local Mumbai guests over the weekend, thereby driving high footfalls.

Events & Promotions

The Hotel hosted the prestigious Hello Awards, Lonely Planet Awards, Magic Bus events, GQ awards, Lakme Fashion Week. The Hotel has established its reputation as the premium destination for social events and high-profile weddings. During FY2016, the Hotel hosted celebrity weddings for Rohit Sharma, Dhawal Kulkarni, Bipasha Basu and Priety Zinta, among others. There were some pop-up events as well such as Float, ZOO, Penthouse Project and Stiletto Night.

It's all about F&B

The St. Regis Mumbai features a range of regional and international flavours – from Seven Kitchens, the award winning all-day diner, to By the Mekong, a culinary journey through the Asian continent, and Yuuka, the award-winning Modern Japanese restaurant. One can enjoy the night life of Mumbai by visiting Li Bai, EXO or Asilo, the city's highest nightlife destinations on the Penthouse Floors of Level 37 & 38.

We continue to build on the strong platform and F&B offerings across venues and have focused on enhancing guest experience at the restaurants and bars. Significant menu changes were made in specialty venues such as Sahib Room and Kipling Bar. Additional F&B inclusions were made in the buffet, even as theme nights were added and more beverages were included. The Sunday brunch has been enhanced by offering live action stations, Muddle Bars, Activity Zone for Kids, and Themed Brunches for Mother's Day, Father's Day, and Harvest, among others. A new chef has been appointed for Dim Sum menus for Lunch at By The Mekong. The signature St. Regis Bar was launched during the year, serving afternoon hi-tea, signature Mumbai Mary, Single Malt Bar, Champagne trolley, and live jazz evenings.

Awards won under Hotels Category:

- TTJ Luxury Award
- Open Hot Award in APAC division
- Featured as one of the Top 40 hotels to check out in Asia (Business Traveller)
- Featured on Hot list of Conde Nast Traveller for 2016

Awards won in F&B:

- By the Mekong won best Chinese Restaurant award in Times Good food award
- Sahib Room & Kipling Bar won best Indian food award in Times Good food award
- Exo won the best club award in Times Night life award
- Li Bai won best Social Lounge award in Times Night life award

Courtyard by Marriott, Agra

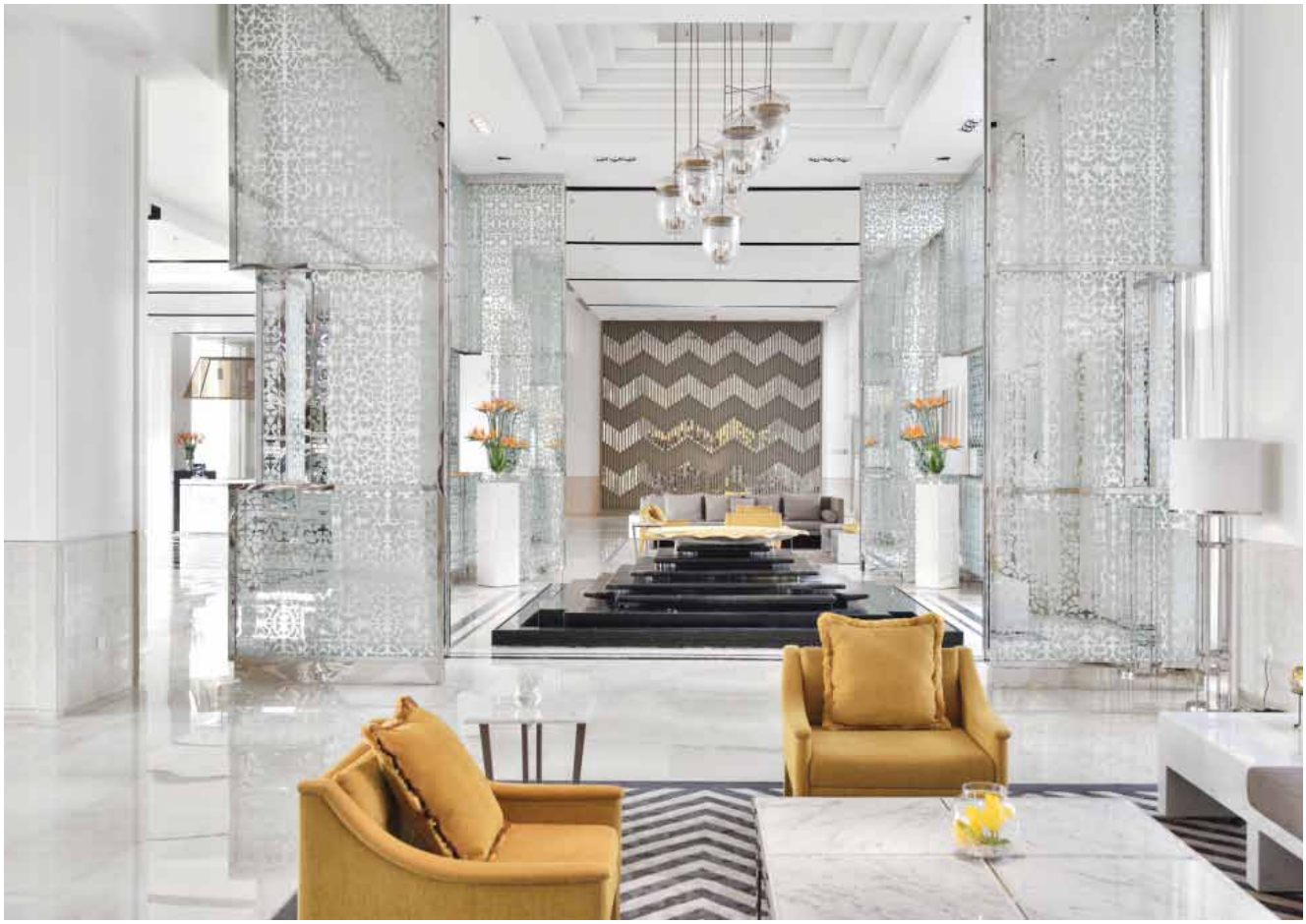
Courtyard by Marriott, in the cosmopolitan legacy of Taj city and the former Mughal capital, strikes the perfect balance between luxury and homeliness.

Courtyard by Marriott, Agra opened doors in January 2015 and completed its first full year of operations in the cosmopolitan legacy of Taj city during FY2016. The hotel offers 193 well-appointed guest rooms including exquisite suites. The Hotel has fast emerged as one of the best Courtyard properties in India.

The Hotel registered total revenues of ₹ 281 million during the current year. The Average Room Rate was ₹ 4,509 and clocked an average occupancy of 45%. The hotel's strong positioning helped drive guests in. Right from reservations to gaining maximum information on guest preferences and engaging with guests are some small moments that help guests create memorable experiences.

The Hotel works for business and pleasure alike, the high point being its F&B offering and large banquet spaces. There is an all-day dining restaurant, as well as a bakery, bar and of course a fine dining North Indian restaurant. The restaurants have been well received by the guests and local HNIs primarily due to its quality of food, service, décor and ambience and for offering value for money. The Hotel offers over 30,000 sq. ft. of indoor and outdoor space dedicated to banquet halls and conference rooms. We also conducted several corporate events during the year. The Hotel also has recreational amenities, which includes a kids club and a fitness centre featuring a gym, pool, spa, steam room, sauna and Jacuzzi to rejuvenate and refresh its patrons. Another portion houses local retail handicraft shops.

Besides corporate travellers looking at Agra as a conference destination, we are targeting another key segment – the wedding market, attracting people looking for a 'Destination Wedding', a fast-growing segment within India.



In-House F&B Brands

In today's world, the concept of luxury shopping is no longer only about anchor retailers and brands. It is all about upscale, bespoke and high-profile F&B brands and anchor entertainment too, which elevate the shopping experience of patrons. In FY2015 and FY2016, we have made operational 9 in-house F&B outlets across 11 stores (10 operational, 1 under fit-out). Our "already operational" in-house F&B outlets are: The Big Kahuna, 212 All-Day Café and Bar, Sichuan House, Amaya, Asia Bar, Craft, Bar Bar, Nook and Shizusan. These premium fine-dining restaurants offer the most tempting and premium culinary getaway with exquisite dining options. Amidst amazing specialty counters and captivating settings, these provide an unmatched dining experience to patrons enabling them to unwind after a day of shopping. This F&B model is a scalable model that can be replicated on a pan-India basis at other malls as well as standalone locations.

Our premium F&B outlets perfectly complement our upscale and high-end retail stores at the destination malls, turning them into end-to-end leisure destinations, adding to the entertainment bouquet and creating huge consumption centres. We are engaged with the operationalisation of these outlets right from concept development to researching the design, creating aesthetic spaces, implementing culinary concepts, to rolling out our F&B strategy.

181
Total Number of Units

0.76 Million sq. ft.
Total Chargeable Area

6
Levels of Office Space

Being part of mixed-use development
20+ Departmental Stores
650 International and Domestic Brands
8 Multiplex Screens
55+ Eateries and Entertainment Venues
16 Lane Bowling, Snow World and other Entertainment Options

ART GUILD HOUSE, MUMBAI

Art Guild House, Mumbai

Where Art Meets Business

Art Guild House is an iconic business part and part of the largest retail and commercial mixed-use development in Mumbai, spanning across 3.04 million sq. ft. and located within the premises of Phoenix MarketCity, Kurla. In company of the most premium retail, entertainment and food brands, Art Guild House offers signature boutique offices. It provides many privileges – a unique proposition in the commercial retail sector and is surrounded by many choices for entertainment and shopping. It is popular for its strategic location, inspiring artful environs, premium amenities and recreational as well as retail outdoors next door.

Having commenced construction in March 2012, the construction was completed during FY2016. Of the total saleable area, about 0.38 million sq. ft. has been sold for a sales value of ₹ 3,170 million, while 0.13 million sq. ft. has been leased. There are six levels of office spaces starting from 900 sq. ft., with two levels of basement parking.

Art Guild House has landscaped overtones and garden sculptures at the entrance and on the periphery of the building. The grand atriums are awash with daylight that stimulate the senses. The structural art, dynamic art walk and permanent art installations and other iconic forms of art visually enhance the space and create a realm of imagination in the lobby. These reflect business aspirations and create a sense of corporate identity, setting a positive yet elegant ambience and tone. Art Guild House is a green building aspiring LEED certification, a zero water discharge site with energy efficient lighting fixtures and uses building materials with a high recycled content.

Art Guild House is poised to benefit from the prominent infrastructure development taking place in and around Kurla. It is strategically located at the centre of an infrastructure development and has excellent connectivity by all means of transport. There are five mega infrastructure projects converging at Kurla – Santacruz Chembur Link Road, Metro Phase I, Mono Rail, Eastern Freeway and Widening of LBS Road – offering easy accessibility from anywhere in Mumbai. These infrastructure projects go a long way in reducing the travel time from the Eastern and Western suburbs, Navi Mumbai and South Mumbai.
The project is in close proximity to the new financial hotspot – Bandra Kurla Complex.

Centrium, Mumbai

A New Landmark in Mumbai's Business Hub

Centrium offers premium office spaces right in the heart of Kurla and is part of Phoenix MarketCity, Kurla, one of the largest retail-led mixed-use developments in India. It rests within India's largest mixed-use complex which includes commercial assets – Art Guild House and Phoenix Paragon Plaza –with a professional business environment, and the sprawling mall – Phoenix MarketCity. It offers a professional business environment with 0.28 million sq. ft. spread across five levels with grand lobbies and amenities. The asset provides easy access to shopping and entertainment, with numerous lunch preferences, coffee shops, break-out zones and well-planned traffic flow.

The project has been designed by Benoy from Hong Kong with Brighton Architects as the architect. The office occupant profile at Centrium includes esteemed companies such as Yes Bank, Axis Securities, Uber and Carrier Aircon, among others. Located in Kurla, the epicentre of Mumbai, the property is at a distance of 30 minutes from anywhere in Mumbai, with close connectivity to Harbour and Central lines. It is well connected to business districts and premium residential precincts in south Mumbai, central Mumbai, and western and eastern suburban locations.

Phoenix Paragon Plaza, Mumbai

An Altered Retail Landscape

It's all about retail therapy indeed. Set besides Phoenix MarketCity, the state-of-the-art Phoenix Paragon Plaza, spread across 4.2 lakh sq. ft. and six levels, is part of one the largest mixed-use development in India. With a mix of retail and high-street brands, it is a planned development with contemporary and superior design and an impressive facade. There are dedicated zones for electronics, bridal wear, fashion and accessories, a dedicated food court, four restaurants and ample car parking space in the basement.

Phoenix Paragon Plaza is set around a new landscaped plaza surrounded by shops and cafes, which is part of a development of 3.04 million sq. ft. complex, benefiting from a variety of local facilities. The asset is seamlessly connected to the main mall at the lower ground level. It is equipped with magnificiently landscaped gardens, integrated building management and monitoring system and high-end security systems.

Of the total saleable area, the retail portion consists of 0.18 million sq. ft. with shop sizes ranging between 80 sq. ft. to 500 sq. ft., focussed on bringing local Indian brands to the mall. The remaining 0.24 million sq.ft area is for boutique offices.

East Court, Pune

Changing the "Last Mile"

East Court is part of the ecosystem of Phoenix MarketCity, Pune and the residential development Fountainhead. It comprises 0.25 million sq. ft. of commercial offices, of which 0.24 million sq. ft. has been sold for a total sales value of ₹ 1,648 million.

ONE BANGALORE WEST, BENGALURU

One Bangalore West, Bengaluru

One Bangalore West (OBW) has emerged as an undisputed leader in the micro-market of Dr. RajKumar Road and Malleshwaram in the garden city of Bengaluru. Launched in September 2012, the project has a saleable area of 2.2 million sq. ft. area (Phase 1 and 2). The project is well on course with five towers (OBW Towers 1-5) of 1.2 million sq. ft. ready to be delivered during FY2016 – tower 6 is currently under construction and we commenced excavation for Tower 7 as well during FY2017. Till the end of FY2016, the project had achieved total sales volume of 1.15 million sq. ft. at a weighted average price of ₹ 9,549 psf and aggregate collections of ₹ 8,216 million.

OBW, which is our flagship residential project, this year has bagged the merited CNBC Awaaz Real Estate Awards 2015 -2016 for Best Residential Project in Bengaluru City (Luxury), besides a host of other awards. It has been established as the "best gated community in Bengaluru" with world-class facilities.

The project's superior design, effective marketing plans, timely approvals and on-schedule construction have helped sustain sales velocity and price appreciation since launch. Buyers are increasingly evaluating OBW as a project with great location, timely delivery, good price and quality, community living.

The USP of OBW is the Club One, the sprawling clubhouse, which was completed in June 2016 and is undoubtedly amongst the best clubhouses in all of Bengaluru, with exclusive and elegant interiors, and state-of-the-art amenities.

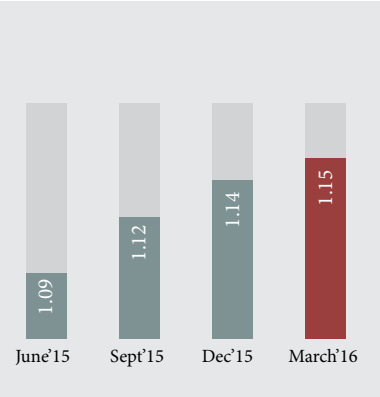
The Amenities at Club One

Modern Gym	Gaming zone
Multi-purpose indoor courts	Banquet hall
Squash courts	Café
Badminton courts	Reading room
Bowling alley	Doctor's room
Spa and Salon	Children's play room
Exercise room	Indoor games room (pool / billiards, carrom, table tennis)
Mini theatre	Convenience store

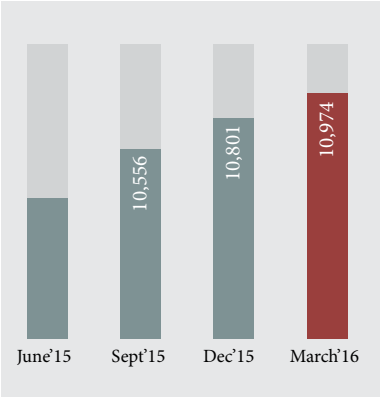
This will be one of the first few residential projects, which will have the clubhouse and all its amenities ready for customers to experience when they move in.

A large number of the recent sales have been through "Customer Referrals", which is of great pride. The project has been built with a strong affinity and approach towards environmental consciousness. Some of the green initiatives and CSR related activities include: effective garbage recycling and waste management; green landscaping; constructing an organic vegetable patch; building of open green spaces and two tree houses; supporting Children's Movement for Civic Awareness; and beautification of surrounding areas and parks.

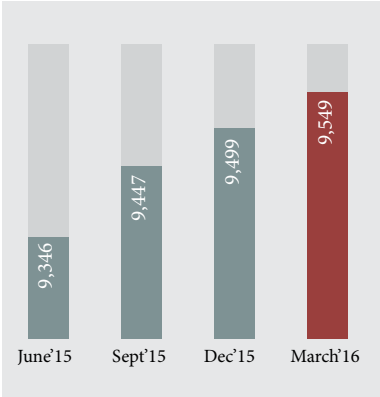
Area Sold (mn sq.ft.)



Cumulative Value of Area Sold (₹ Mn)



Cumulative Avg Realization (₹/sq.ft.)



KESSAKU, BENGALURU

Kessaku, Bengaluru

An insatiated demand for a luxury residential product with larger spaces and single-level homes in Bengaluru city led to the evolution of Kessaku – a leader in the city's luxury market . At 1, Dr. Rajkumar Road, Kessaku offers its customers the fine-art of living with the concept of 'bungalow living' and the convenience of a gated-community. Launched in 2015, the project witnessed high sales velocity during the year with 0.24 mn sq. ft. being sold at an average price of ₹ 14,924 per sq. ft. with substantial price appreciation since launch. As the building progresses, we are confident of further appreciation in the prices given the quality of the product.The Kessaku precinct consists of 5 exclusive towers each with its independent art inspired lobby and offers expansive living spaces ranging between 6,200 sq. ft. and 7,500 sq. ft. and limited duplex apartments of 12,000 sq. ft.

Built over a saleable area of 0.99 million sq. ft., Kessaku is a compilation of residences that redefine grace and reflect the modern architectural vision of the design consultant, Callison of USA. The project's USP has been a fantastic layout, gated-community living, exclusive marketing plans, optimum utilisation of space and being positioned as a luxurious, yet simple, product. Residents will have the privilege of accessing two clubs, Midori on the ground level garden, and Kaze on the roof top, with an infinity edge indoor pool and a 360-degree rooftop jogging track offering unparalleled views of the city. We collaborated with the best to ensure state-of-the-art, bespoke home automation, international concierge service and immaculately-designed and produced kitchen systems.

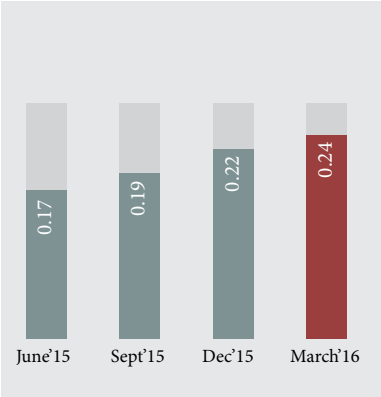
Spaces at Kessaku are artfully detailed to embody a masterpiece in the truest sense and remain culturally pertinent. Luxurious large spaces flow seamlessly into each other, celebrating the idea of multiple usage. The detailed landscaping consisting of internal boulevard and individual drop-off areas to each tower, form some of the key features of the luxury product that offer a quality-living experience and elevate the ordinary to the exemplary. The project is strategically located in close vicinity of a metro station, World Trade Centre, five-star Hotel Sheraton, premium shopping destinations, reputed educational institutions and hospitals, offering fantastic connectivity and a good mix of cosmopolitan infrastructure.

The building has all approvals in place and construction is as per schedule. Our marquee clientele includes top Industrialists, educationists, doctors and business men, amongst others.

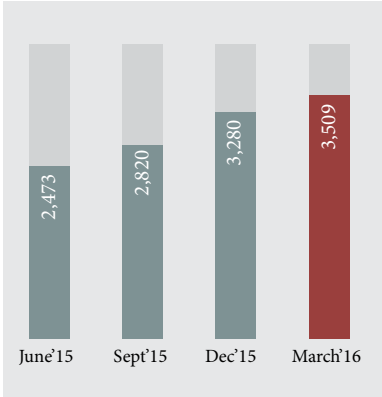
Key Features of Kessaku

- Exclusive access-controlled elevators
- Personal lobby
- Cross ventilated living spaces
- Double height ceilings
- Dry kitchen and spacious dining area
- Multiple expansive decks
- Four zone kitchen suite
- Master suites 1 and 2
- His and Her vanity suites
- Powder room
- Master bath suites 1 and 2
- Guest bath suite
- Library bath suite
- Children's bedroom
- Family entertainment room
- Library and study
- Guest bedroom
- Expansive decks with splash pools
- Separate service entrance and elevator for staff
- Staff quarters

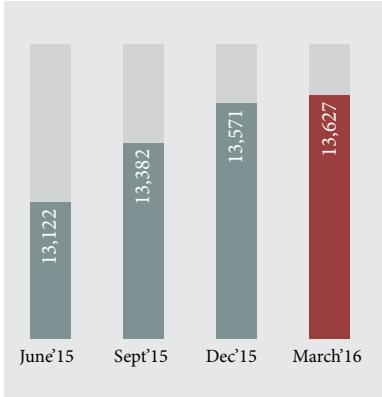
Area Sold (mn sq.ft)



Cumulative Value of Area Sold (₹ Mn)



Cumulative Avg Realization (₹/sq.ft.)



The Crest, Chennai

Launched in June 2012, the first phase of The Crest project at Velachery comprising of three residential towers and saleable area of 0.53 million sq. ft. is nearing completion and is currently awaiting occupation certificate. Since launch, we have sold a cumulative saleable area of 0.38 million sq. ft. for a total sales value of ₹ 3,312 million and aggregate collections of ₹ 2,734 million. Design has been the prime attraction of the unique project, with premium residences built on top of a luxury mall – something that hasn't been witnessed in Chennai yet. Construction for phase II of the project, i.e. Tower D comprising of 0.41 million sq. ft. of saleable area, is yet to begin.

Fountainhead, Pune

Launched in February 2014, the project consists of 2 towers with 0.35 million sq. ft. of saleable area. Currently construction of Tower 1 is ongoing. The project has witnessed sales volume of 0.01 million sq. ft. for total sales value of ₹ 158 million and aggregate collections of ₹ 99 million.

Oberhaus, Bengaluru East

Oberhaus, with its limited edition residences at Phoenix MarketCity, Bengaluru, is strategically located between one the city's most premium localities Indira Nagar and Whitefield, a major IT hub. The upcoming metro right in front of the property makes the location furthermore attractive. OberHaus has been conceptualised keeping in mind the increasing demand for quality luxury apartments in the micro market. The development will have a total saleable area of approximately 0.4 million sq. ft. in Phase I and 0.6 million sq. ft. in Phase II.

Awards & Accolades

Phoenix MarketCity, Pune

1. **CNBC AWAAZ Real Estate Awards 2012** - Best Retail project in Pune
2. **The Alliance of Infrastructure and Facility Managers (AIFM) Association 2011-2012** - Phoenix MarketCity, Pune bagged the Best Maintained Facility
3. **CNBC AWAAZ Real Estate Awards 2012** - Phoenix MarketCity, Pune was awarded the winner of the best retail project in Pune
4. **Images Shopping Centre Awards 2013** - IMAGES Most Admired Shopping Centre of the Year: Non-Metro (West)
5. **The CMO Asia Retail Excellence Award 2014** - PHOENIX MARKETCITY PUNE BAGGED SHOPPING CENTRE OF THE YEAR
6. **THE Images Shopping Centre Award (ISCA)** - for the most admired Shopping Centre 2014
7. **Award for Retail Excellence 2016** – Retailer of the Year

Phoenix MarketCity, Bengaluru

1. **CNBC Awaaz Real Estate Awards 2013** – Best retail project of the city - PMC Bengaluru
2. **Asia's Shopping Centre and Mall awards 2014** – Most admired marketing campaign of the year PMC Bengaluru

Phoenix MarketCity, Chennai

1. **CNBC Awaaz Real Estate Awards 2013** – "Best Retail Project of the city"

   Forbes nominated Phoenix MarketCity in 2013 – As Art Initiative of the Year (2013)
2. **Asia's Shopping Centre & Mall Awards 2014 by CMO Asia** - PMC Chennai" "Most Admired Shopping Centre of the year"
3. **Phoenix MarketCity Chennai Awarded** – "Best Malls & Shopping Centre of the Year 2015 – Operational Mixed Used Development" by Estate Avenues.
4. **Construction Industry Award 2015** – Excellence in Commercial/ Mixed Use - Development

Phoenix MarketCity, Kurla, Mumbai

1. **SS Media House organized by Estate Avenues at New Delhi in March 2013** - PMC Kurla India's best existing neighbourhood shopping mall 2013-14
2. **Asia Shopping Centre & Mall Awards organized by CMO Asia Council in February 2014**- Best Thematic Decoration
3. **Hindustan Times Mumbai Brand Summit and Awards in September 2014** – PMC Kurla Mumbai HOT 50 Brands
4. **CMO Asia Shopping Centre and Mall in February 2015** - Most Admired Shopping Centre of the Year
5. **Asia Africa GCC Retail and Shopping Centre Congress and Awards** - Most admired Shopping Centre of the year (West)

High Street Phoenix and Palladium

1. **IMAGES SHOPPING CENTRE AWARD** - Recognized HSP As 'Most Admired Shopping Centre Of The Year' TWICE In 2015
2. **RETAIL EXCELLENCE AWARDS** - Recognized High Street Phoenix & Palladium as "Shopping Centre of the Year" In 2016
3. **ASIA's SHOPPING CENTRE** - Recognized High Street Phoenix As 'Asia's Shopping Centre Mall Of The Year – Socially Responsible' In 2014
4. **ASIA PACIFIC PROPERTY AWARD** - Recognized HSP As 'The Retail Development Of India' In 2013
5. **7TH REID AND TAYLOR AWARDS FOR RETAIL EXCELLENCE** - Awarded PALLADIUM As 'Jury's Special Emerging Retailer Of The Year - Mall' In 2012
6. **RETAIL EXCELLENCE AWARDS** - Recognized HSP As 'The Developer Of The Year- Retail' In 2011/2012
7. **FRANCHISE INDIA AWARDS** - Recognized HSP As 'The Developer Of The Year- Retail' In 2011
8. **IMAGES SHOPPING CENTRE AWARD** - Recognized HSP As 'Most Admired Shopping Centre Of The Year' TWICE In 2010
9. **BEST SHOPPING MALL ORGANISED BY ESTATE AVENUES** - Recognized And Awarded High Street Phoenix And Palladium As 'India's Best Existing Neighbourhood Shopping Mall' In 2014

The Commercial Portfolio

Art Guild House, Mumbai

- Realty Excellence Award 2014 – West
- Environmental Friendly project – Commercial

The Residential Portfolio

One Bangalore West

Asia Pacific Property Awards 2013
Developer Website

7th Estate Awards 2014
(Franchise India & ET NOW) Regional Project of the Year – South

Asia Pacific Property Awards 2015
Architecture Multiple Residence
Residential High-rise Development

Estate Award 2015
Best Marketer of the year 2015

CNBC Awaaz Real Estate Awards 15-16
Best Residential Project in Bengaluru City (Luxury)

Asia Pacific Property Awards 2016
Marketing Development

Kessaku

3rd Asian CEF Awards 2014
The Residential Project of the Year – Towers

7th Estate Awards 2014
(Franchise India & ET NOW) Project of the Year – National

Asia Pacific Property Awards 2015
Development Marketing Residential
Property Interior (Show Home)

Designomics Awards 2014
Integrated Design Project / Marketing Strategy
Direct Response – Brochures / Catalogue

Estate Award 2015
Best Marketer of the Year 2015

World's greatest Brands & Leaders, IUA -2015-16: Real Estate

Fountainhead

3rd Asia CEF Awards 2014
The Residential Project of the Year – Residential Buildings

Asia Pacific Property Awards 2015
Apartment/Condominium
Developer Website
Development Marketing
Residential Interior (Show Home)

Designomics Awards 2014
Integrated Design Project / Marketing Strategy
Direct Response – Brochures / Catalogue

Estate Award 2015
Best Marketer of the year 2015

Realty Plus Excellence Award (Pune)
Super Luxury Project of the Year

The Hospitality Portfolio

St. Regis Hotel

Times Food & Nightlife Awards

- The Sahib Room & Kipling Bar: Winner of Best Indian Restaurant
- EXO: Winner of Best Nightclub
- LI BAI: Winner of Best Bar
- By the Mekong: Winner of best Thai Restaurant
- Yuuka: Winner of Best Japanese (Noteworthy Newcomer South Mumbai, Fine Dining)
- Booking.com
  Award of Excellence 2014, Preferred Hotel
- ClearTrip
  Award of Excellence 2014
- TTJ Award: Jury Choice award 2016 for Innovative edge in creating luxury experiences

Our Sustainability Strategy

Being People and Planet Positive

We, at The Phoenix Mills Ltd., believe that change is for the good as long as it does not preclude a sustainable world that provides great quality of life for people and protects the environment. We are a rising, but significant, force in helping to create a more sustainable world. We are growing in a way that creates opportunities, jobs and improves lives.

Going forward, we want to strengthen our positive impact and help meet the needs of people. We constantly promote environment consciousness and have invested in building systems that will facilitate maximum efficiency for energy and water utilization. We wish to increase awareness amongst people pertaining to the judicious utilisation of natural resources.

We are guided by our vision of creating a better everyday life for people and be prudent in utilization of resources. Our vision, business idea and values have been the starting point for our environmental initiatives. Sustainability – environmental, economic and social well-being for today and tomorrow – is becoming an integrated part of our business and is one of the strategic cornerstones in the Phoenix direction.

We, at The Phoenix Mills Limited, are in the service business, amongst others where our properties have become the centres of public consumptions. The footfalls in our malls have been increasing year-on-year, and so is the occupancy at our hospitality assets. An increasing number of patrons visiting our properties directly translates into higher consumables in form of Electricity and Water. Judicious use of our resources is one of the key pillars for the sustainable future for the Company.

Electricity – Improving Efficiency

We continuously strive to optimize our resources. At The St. Regis, Mumbai, we installed LED lamps in lieu of halogens, CFLs, and Power Lamps to conserve electricity. To give an example, on an average there were eleven 50 Watt halogens in each suite. These have been replaced by 5 Watt LED lamps, thus saving 45 Watts on each lamp. The air conditioning system has also been upgraded in the Hotel and its banquet halls by making use of power boosters. The pre-cooling time for each banquet hall has been reduced from 4 hours to 1 hour. During the year under review, electricity consumption per room sold dropped by 14%. Since FY2014, electricity consumption per room has reduced by 55%.

At our malls, higher retailer occupancy and increasing footfalls have led to an increase in electricity consumption. The Company has decided to optimise the usage of electricity by taking various steps. At the Phoenix MarketCity, Pune, the annual consumption of electricity was approximately 25 million units amounting to ₹ 360 million. We invested in upgrading our capacitor banks (Automatic Power factor capacitors) at the mall and achieved over 99.6% efficiency in the use of electricity. As a result, we received an incentive from the Government for efficient use of electricity in terms of a 7% rebate on the monthly bill, which added ₹ 25 million to our total savings in FY2016. A similar upgrade was also performed at Phoenix MarketCity, Kurla, Mumbai, which also resulted in savings of ₹ 6.5 million.

Water Conservation – Every Drop Counts

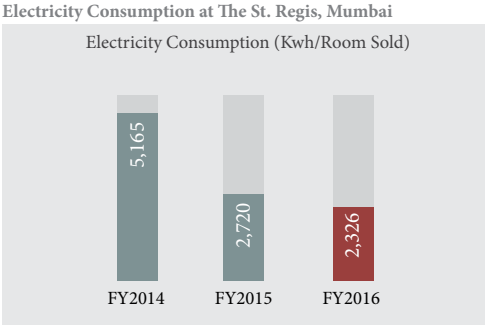
The global water requirement is projected to exceed the available sustainable water supplies by 40% by 2030, according to the report 'Çharting our Water Future' by 2030 by Water Resources Group, 2009. With erratic rainfall patterns across the country, India is particularly vulnerable to water shortage, given the rapid urbanisation and industrialisation.

As a proactive and responsible corporate citizen, we have made investments in the Sewage Treatment Plants (STP) at our malls. This is aimed towards reutilisation of water to be used

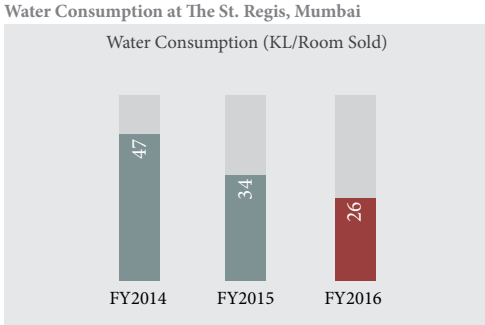
for flushing in washrooms and irrigation purposes. This initiative has led to water conservation of about 12,000 KL per month, resulting in savings of ₹ 12 million each year. The STP facility at Phoenix MarketCity, Pune has been used for flushing horticulture & HVAC purposes and has led to substantial savings on water required to be bought from the market.

At The St. Regis, Mumbai, the STP plant provides 4,000-5,000 KL of water every month. This is used for air-conditioning and irrigation purposes, leading to a 44% reduction in water used per room sold.

Electricity Consumption at The St. Regis, Mumbai



Water Consumption at The St. Regis, Mumbai



Our vision, business idea and values have been the starting point for our environmental initiatives. Sustainability – environmental, economic and social wellbeing for today and tomorrow – is becoming an integrated part of our business and is one of the strategic cornerstones in the Phoenix direction.

Water Consumption at Phoenix MarketCity, Pune

Actual Fresh Water Consumption
STP Water Consumption

Our investments in the Sewage Treatment Plants (STP) at our malls are aimed towards reutilisation of water to be used for flushing in washrooms and irrigation purposes and help in reducing the fresh water consumption.

Corporate Social Responsibility

A Strategic Posture Towards CSR

We are a company with heart and soul. We care about helping those in need, nurturing our planet and living our founder's values. At The Phoenix Mills Limited, we are committed to make a difference by working to create economic opportunity, enhance the sustainability of our operations and the systems we operate in and strengthen local communities. We see CSR as a creative opportunity to fundamentally strengthen our business, while contributing to the society and creating social, environmental and economic impact.

Consumers are at the heart of all we do. We believe that being socially and environmentally responsible is good for people and the planet, and essential for the long-term sustainability of business. From supporting of empowerment of women to pursuing a more affordable, secure food supply to building resiliency in the face of disasters, we use our strengths to promote the well-being of people and our planet.

Our CSR activities reflect our on-going commitment to innovation and sound business practices. We believe Corporate Social Responsibility is not just a duty – it is an approach towards existence. Our motto is to build a sustainable life for the weaker and poor sections of the society. Their betterment will lead to a brighter future for us as an organisation. We stretch our aims towards serving humanity in several ways.

High Street Phoenix and Palladium, Mumbai

High Street Phoenix (HSP) tied up with Safe Kids, an NGO, to conduct a special event for customers to engage and learn about road safety in Mumbai.

An event was organised to engage with customers to create awareness towards Parkinson's disease and clinical methods to cure or minimise its effects. Another event was organised with Indian Academy of Cerebral Palsy (IACP) to support and sensitise customers about Cerebral Palsy through the medium of art, music and fun activities. A one-of-a-kind Halloween party was organised at Palladium for kids with games and activities. An amount of ₹ 3.68 lakh was donated to Life of Light Trust to support child education.

On the 6th anniversary of Palladium, the mall gave away 5% of total sales to support Child Education. It was a special evening with ace choreographer Farah Khan to support child education through the Jai Vakeel Foundation with a donation of over ₹ 10 lakh. The Joy of Giving Week – Daan Utsav was celebrated by conducting skits, performances, games and donation counters by Jai Vakeel, Arpan and Sanjeevni to create awareness about social causes such as mental and physical disability, child sexual abuse and cancer. During Diwali, the Drishti Foundation for blind empowerment was supported by promoting the sale of self-made diyas.

Phoenix MarketCity, Chennai

Phoenix MarketCity, Chennai celebrated the "Joy Of Giving – Daan Utsav" in October 2015. It donated 1% equivalent value of all food bills generated on this day across all the F&B outlets in the mall. The funds were shared with Bhumi, an organisation working towards educating the under-privileged children.

The mall celebrated its 3rd anniversary by donating 3% equivalent of the sale at each F&B outlet to the NGO Little Drops which works for the homeless and rescued aged citizens and children. As part of the Denim Affair Campaign, we collected old denim wear from customers and handed these to Ride India working towards betterment of poor and weak in remote villages of Kancheepuram district.

During the Chennai floods in December, the mall provided immediate relief to people by offering them shelter, hot food and fresh water. We also undertook sewerage water/sludge clearance and garbage removal at Vijay Nagar, TNHB Colony and Nehru Nagar areas to ensure a clean environment post floods. We organised a free medical camp where we distributed free medicines and conducted free pathological tests for people showing any untoward symptoms. In a Clothes Collection Drive in Kancheepuram, clothes donated by Marks & Spencer's and RMKV were handed over to Ride India, an NGO.

Our motto is to build a sustainable life for the weaker and underprivelaged sections of the society. Their betterment will lead to a brighter future for us as an organisation. We stretch our aim towards serving humanity in several ways.

Phoenix MarketCity, Bengaluru

A significant CSR activity of the year was the "No Honking Art Exhibition" launched in association with Bengaluru Traffic Police. This was aimed at educating people on the adverse effects of honking through a visual demonstration of artistic expressions of 19 renowned artists from Vadodara.

Art for Humanity was a live painting session organised to raise funds for Chennai flood victims. Over 150 artists contributed to the cause and together raised about ₹ 3 lakh for flood victims.

To celebrate World Hospice and Palliative Care Day and support the cancer patients, a musical harmony of Shankar, Ehsaan and Loy was organised. The total collection of ₹ 10 lakh was donated to Karunasharaya. In another such event, we organised a Vidya Bhagini Women Empowerment Program to raise funds for Vidya Integrated Development for Youth and Adults.

We also associated with Mercedes Benz to drive Road Safety Week and educate people on the safety aspects of driving. In addition to this, a special drive was organised to change plastic or Styrofoam plates to more eco-friendly initiatives.

Phoenix MarketCity, Kurla, Mumbai

The mall celebrated the International Yoga Day on 21st June in collaboration with TRRAI and Isha foundation for retailers and customers. Another activity was conducted in collaboration with L&T for cancer-affected children enjoying their day at the mall. Amche Mango People was a Street Play organized to create awareness about Technology & Social Media among downtrodden children. An e-waste disposal activity was conducted for the cause of underprivileged children of rag-pickers.

Phoenix MarketCity, Pune

To support environmental cause, a Flea Market was organised at the mall to sell environmental solutions such as upcycled fabric, recycled paper, plates and products made of natural products, handmade and newspaper bags.

To commemorate the World Plastic Free Day, a social event against plastic pollution was organised. On this day, customers were distributed 10,000 paper bags and educated about the perils of plastic. On Joy of Giving day, the mall organised Daan Utsav to inspire customers to engage in the act of giving. As part of Women's Day celebration, the NGO HelpLife helped organised a DJ Relay for customers.

The "I Love Pune" event included collections of coins of different denominations and donating it to The School of Blind on the basis of number of twitter posts. Other events of social causes were Vegan Fest, X-Mas celebration for Sarv Seva Sangh, cancer awareness (in association with Cancer Patients Aid Association). A Unicef organised "Team Swachh" contributed to a clean nation with team play and activities to learn, understand and practising healthy behaviour. Team Swachh supports Mahatma Gandhi's dream of a Swachh Bharat and pledges to make India open-defecation free.

Human Resources

Leading Effective Change

Employees are our most strategic assets and our key to success. The Human Resource function plays an instrumental role in securing the future success of The Phoenix Mills Ltd. In doing so, the function is guided by its long-term vision of working in partnership to create an environment where employees can thrive and are enabled to deliver sustainable organizational performance.

Over the years, (PML) has rapidly expanded its intellectual capacity to develop unique projects, aimed at becoming the largest mixed-use property companies in India. From an HR perspective, the Company emphasises on attracting the right talent to achieve its vision and deliver globally acclaimed properties to its customers and retailers. PML has strong strategic planning and decision making skills. This can be attributed to a highly capable and committed leadership team geared to build the finest and most unique properties across India. We cherish our employees' diversities and multifaceted personalities. As part of succession planning, we hire employees and nurture them within the organisation with the aim of making them the "Leaders of Tomorrow". Through elaborate and extensive campus placements from reputed institutes, we hire Management Trainees and groom them, enhance their skill sets to make them future ready . Our human capital is privy to an effective Rewards & Recognition programme which is strictly adhered to, besides various other perks.

Our objective is to make our company 'the most preferred workplace'. We offer our employees satisfying career growth story within the system. We help them identify their goals, offering a collaborative approach in decision-making and pro-activeness.

We are always on the lookout for talented, creative and ambitious individuals, driven by the challenge and passion to excel. We believe that the right human capital takes an organisation to great heights. We endeavour to become a market leader in the most competitive environment.
We are strong believers of developing and retaining the right talent. We ensure this by treating our employees with dignity, honesty and respect. We also enable them to realise their potential. We provide appropriate working conditions that enables them work effectively.
We are driven by trust and principles of empowerment, and believe in inculcating a winning attitude among our employees. We believe in encouraging learning, self-development and building effective leadership. We break the

barriers of scale, size and efficiency by offering stimulating assignments, a great working environment and professional management.

Employee Engagement & Retention

The Employee Engagement / Welfare Policy aims at positively engaging with team members in different engagement activities. We strive to enhance the engagement level of our employees and strengthen bonding between them.

Induction and New Joinee Engagement Programme

Employees joining the organization undergo a structured Induction Process to understand the organisation, the key businesses and the value chain of different business verticals.

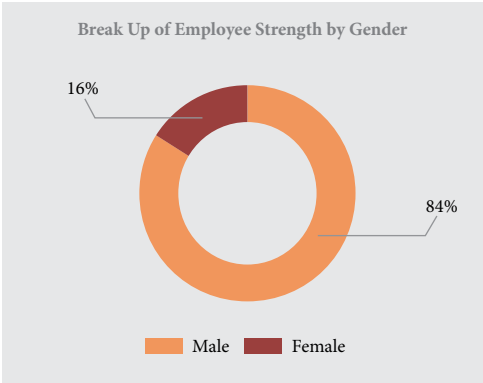
To ensure that new joinees settlement is smooth within the organization, New Joinee Engagement process is designed. The process includes First Impression Feedback by New Joinees, Meet with CD/HOD and Project Heads and Meet with HR at periodic intervals.

Employee Development

We realise the importance of grooming and mentoring the talent to make them capable of taking on larger responsibilities in the future. Talent are identified as Hi-Potential employees and their skill gaps are identified and Individual Development Plan is then made and implemented with the purpose of career planning and retention of Hi-Potential employee. This also helps the organization in effective succession planning.

Management Trainee Programme

Management Trainee Programme is an important process to induct fresh talent into the system and build a talent pipeline. A robust recruitment and training plan is framed to induct Management Trainees. Post hiring, a detailed induction and annual training program is tailored to make these young entrants future ready.



Training for On Roll Employees

Continuous learning and up-skilling the human capital is a key criteria to sustain in a dynamic business scenario. Keeping in mind the business needs, training needs are identified and modules are framed to deliver training to employees at various levels.

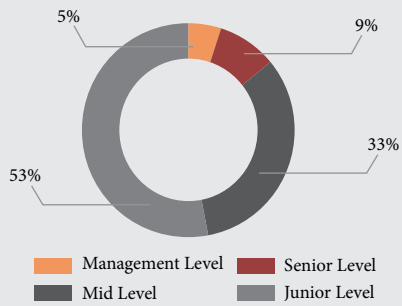
Training for Off Roll Employees

Delivering superior customer and retailer experience is imperative for the growth of our mall business. In view of this, outsourced staff training is also given equal importance and training is conducted for functions such as Housekeeping, Security, Parking, and Floor Managers, among others. During FY2016, about 1,506 Training Sessions were conducted, comprising of 25,406 Training Man-Hours.

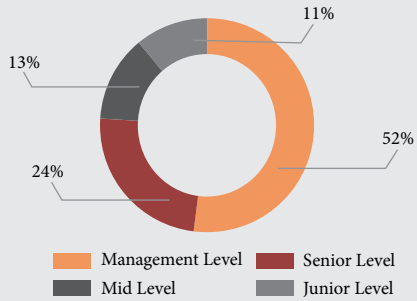
Rewards & Recognition Policy

We understand that the success of any organization is loyalty, quality and dedication of the people who work in it. The purpose of this Policy is to promote positive behaviors that support individual, work group, unit, team, department, and our mission and business goals. It goes about creating a culture that celebrates success and sets an example of remarkable performance.

Bifurcation of Total Manpower over Different Levels



Employees with >5 Years tenure at Phoenix at various levels



Team Building and Collaboration

Team Building and Collaboration at workplace is an imperative need for the success of any organisation. With this objective, we conduct an experiential workshop, Équipe – An Outbound Training Program – for all employees which allows them to reflect on the need for collaboration, innovation and team work at the workplace.

Health & Safety – Our Top-Most Priority

We have developed a corporate Fire Life & Safety Standard Operating Procedure manual. These are to be mandatorily followed across locations and are continuously reviewed and monitored by the corporate office. We remain committed to zero fatalities to our employees, contractors, shoppers and communities in which we operate. Our goal is to maintain highest level of Health & Safety benchmark in the industry.

We have zero tolerance on irregularities and an effective safety program to provide fire safety best practices across our assets. We have dedicated teams assigned at all properties for routine daily, weekly and monthly audits, and is monitored from corporate office to eliminate fire safety violations.

We have strong governance practices in place. We work diligently to ensure compliance with applicable regulations and standards. We stay updated with new regulations and industry best practices.

We have a continuous evaluation process for improvement in all aspects of the fire safety program. We intend to provide a safe environment and eliminate issues pertaining to fire life safety for our customers and the employees. Changes in design, renovations of existing structures and the need to retrofit existing buildings with new fire/ life safety equipment are continually under review. Improvements or potential changes are reviewed and the requisite changes are implemented at frequent intervals.

25,406
Training Man-Hours

1,506
Training Sessions

563
Training Man-Hours for Crisis Management

378
Training Man-Hours for Evacuation process

487
Training Man-Hours for Electrical Safety

Financial Overview

Income from Operations

On Standalone basis, which includes operations of only High Street Phoenix & Palladium (HSP), Mumbai, income from operations has increased by 13% YoY to `3,558 Million in FY2016 from ` 3,154 Million in FY2015 on the back of healthy footfalls, consumption growth and higher rental income post lease renewals during FY2016. On a Consolidated basis, Income from Operations increased by 8 % to ` 17,786 Million in FY2016 from ` 16,533 Million in FY2015. The rise in consolidated income from operations was due to a combination of higher rental income, and healthy inflows from the residential and commercial projects. The higher rental income in the malls was driven primarily by increased consumption (the total consumption in Phoenix malls increased by 10% to ` 54 Billion in FY2016 from ` 49 Billion in FY2015) and upside from lease renewals.

Earnings before Interest, Depreciation and Taxes (EBITDA)

The Standalone EBITDA increased by 18% YoY to `2,398 Million in FY2016 from ` 2,031 Million in FY2015. The EBITDA margins were 67% in FY2015 as compared to 64% in FY2015. Consolidated EBITDA has increased by 4% to `7,900 Million in FY2016 from` 7,620 Million in FY2015. The consolidated margins have decreased to 44% in FY2016 from 46% in FY2015.

Interest and Depreciation

The Standalone depreciation decreased by 6% to 293 Million in FY2016 from `310 Million in FY2015, whereas the consolidated depreciation increased by 5% YoY to 1,772 Million in FY2016 from ` 1,681 Million in FY2015. Standalone interest expense decreased by 3% to ` 688 Million in FY2016 from ` 707 Million in FY2015. The consolidated interest expense has increased by 9% YoY to ` 4,305 Million in FY2016 from `3,956 Million in FY2015.

Profit after Tax and Minority Interest

Standalone Profit after Tax increased by 144% YoY to `1,509 Million in FY2016 from ` 619 Million in FY2015 . The Consolidated Profit After Tax and Minority Interest increased by 130% YoY to `815 Million in FY2016 from ` 354 Million in FY2015.

Share Capital

During FY2016, Share Capital of the Company increased to ` 306 Million on account of issue of additional shares as part of Qualified Institutional Placement (QIP) done by the company in July 2015. Standalone Reserves and Surplus increased to` 22,628 Million in FY2016 from ` 18,799 Million in FY2015, whereas Consolidated Reserves and Surplus Stood at ` 18,380 Million in FY2016 as against ` 16,447 Million in FY2015.

Non-Current & Current Liabilities

The Standalone Non-Current (long term) borrowings of the Company have decreased to 5,235 Million in FY2016 from ` 5,318 Million in FY2015. The Consolidated Non-Current (long-term) borrowings increased to ` 34,004 Million in FY2016 from ` 28,190 Million in FY2015. The Consolidated Current Liabilities have decreased to ` 11,928 Million in FY2016 from ` 12,048 Million in FY2015.

Fixed Assets

The Consolidated Tangible Assets have increased to ` 43,478 Million in FY2016 from ` 41,278 Million in FY2015 and CWIP has decreased to ` 1,949 Million in FY2016 from ` 2,137 Million in FY2015.

Current Assets

The Consolidated Current Assets have increased to ` 20,972 Million in FY2016 from `17,233 Million in FY2015, due to increase in Investments, construction progress across the commercial and residential developments and advances. Consolidated Inventories increased to ` 13,240 Million in FY2016 from ` 11,783 Million in FY2015.

Risk Management and Internal Controls

PML identifies new risks and re-evaluates old risks during the year, in the process of considering risk mitigating strategies. Some of the risks the Company's core businesses are exposed to include credit risk, market risk, operational risk and legal risk. It is also exposed to specific risks in connection with the management of investments and the environment within which it operates. The Company manages cost escalation risk through processes aimed at optimising costs through suppliers and through rigorous contracts and procurement. To manage project execution risk, PML evaluates track records and performance capabilities to ensure the right contracts are on board. As a part of the monitoring system, a project review is done every week on timelines and budgets to evaluate project cost and costs to completion.

The Company seeks to understand, limit and manage the adverse impacts arising from external and internal events. The risk management team safeguards and protects the Company's assets against unauthorized use or disposition, maintenance of proper accounting records and verification of authenticity of all transactions. Within the Company, the directors are responsible for maintenance of a sound system of internal controls. This is done by way of continuous process of identifying, evaluating and managing the risks faced by the company. The Group's effectiveness on internal control and their internal control system is also checked by

external agencies. This results in an unbiased and independent examination of the adequacy and effectiveness of the internal control system and aims to achieve the objective of optimal functioning of the Company.

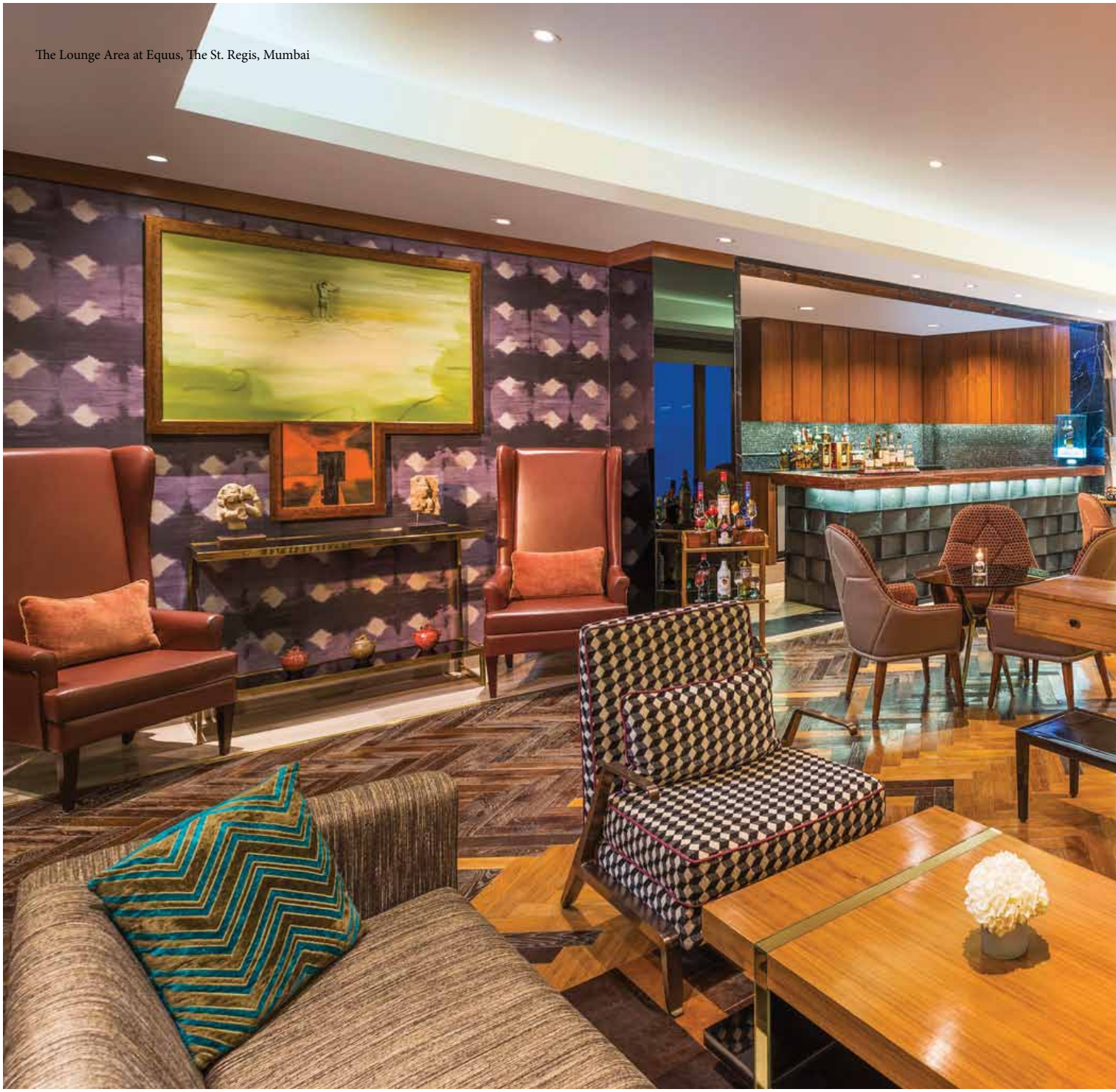
Information Technology

Your Company well understands that an adequately equipped IT infrastructure, both technologically and quantitatively, is the foundation for stable IT systems and optimal IT support. It has the best-in-class IT systems and the entire IT backbone to manage administration and delivery of its services. A key hallmark of its IT systems is its ability to monitor and assist each retail store, helping them manage their business better and has a comprehensive package for managing its retail properties. This enables the entire operation to be on a centralised platform offering single-system property management and accounting integration.

The advanced IT system facilitates PML in establishing various business intelligence reports for investment management, electronic procurement, paperless transaction processing, budgeting, forecasting and cash flow modelling. The Company has adopted global standards in information automation, performance metrics and management excellence. The efficient enhancement of the application environment at different locations in the business processes and in the sales network is just as vital as having a modern IT infrastructure. The technical staff is responsible not only for programming the systems, but also supporting the users in technical development. Expert teams develop solutions that can be applied across verticals to establish IT standards in business areas that are the basis for leveraging potential synergies.

Cautionary Statement

This document contains statements about expected future events, financial and operating results of The Phoenix Mills Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirely by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of The Phoenix Mills Limited's Annual Report, 2015-16.



The Lounge Area at Equus, The St. Regis, Mumbai

03

Directors' Report

Directors' Report

To
The Members,
The Phoenix Mills Limited

Your Directors are pleased to present the 111th Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended March 31, 2016.

Financial Results (Standalone)

(₹ In Million)

Particulars	Year ended 31.03.2016	Year ended 31.03.2015
Sales and other Income	**4548.16**	4121.90
Profit before Interest, Depreciation, Exceptional Items and Tax	**3388.61**	2998.37
Less: Interest & Finance Charges	**687.85**	706.66
Less: Depreciation	**293.15**	310.49
Profit Before Tax and Exceptional Items	**2407.61**	1981.22
Profit Before Tax and After Exceptional Items	**2127.61**	1138.72
Less: Provision for Taxation:		
Current Tax	**639.00**	532.00
Deferred Tax	**(20.31)**	(11.80)
Net Profit after Tax	**1508.93**	618.52
Balance brought forward from Previous Year	**5697.68**	5674.59
Profit available for appropriation	**7206.61**	6293.11
Less Appropriations:		
General Reserves	-	200.00
Proposed Dividend	**353.89**	318.90
Corporate Dividend Tax	**71.62**	64.92
Adjustment of Depreciation as per Transitional Provision of Part C Paragraph 7(b) of Schedule II of the Companies Act, 2013	-	11.61
Balance Carried Forward to Profit & Loss Account	**6781.10**	5697.68

Operations

The Phoenix Mills Ltd., today is one of the largest retail led real estate Company in India, with a portfolio comprising of over 17.5 million square feet of retail, commercial, hospitality and residential assets spread over 100+ acres of land, our Company is best positioned in the industry to serve the people of India, one of the fastest growing economy in the world. Our mixed-used model of development gives us a 5-6 years head start in building top quality assets in the key gateway cities of India.

The Phoenix Mills Ltd. is a proxy to the great Indian Consumption Story. During FY16, we clocked total retail consumption of ₹ 54 bn across our retail properties with a total rental income of ₹ 7.1 bn. Our consumption has grown at a CAGR of 38% between FY12 and FY16, while Rental Income has shown a CAGR of 34%. A host of top international brands open their first store in India at our malls, validating our position as the best mall in the city we operate. Our malls are not just meant for shopping, but offer the widest choice of F&B, entertainment and have emerged as experience centres where families prefer to spend the entire day. We have 9 retail assets with a leasable area of approx. 6.0 million square feet in Mumbai, Bangalore, Chennai, Pune, Lucknow & Bareilly. Phoenix Paragon Plaza at Kurla started operations this year while our luxury mall Palladium at Chennai is still under construction.

During the year, The Phoenix Mills Ltd. through its wholly owned subsidiary Big Apple Real Estate Pvt. Ltd. has increased its ownership in Upal Developers Pvt. Ltd. and Blackwood Developers Pvt. Ltd from 77.2% to 100% by buying out the stake of its partners. Phoenix United Malls at Lucknow & Bareilly have good growth potential and will allow the Company to tap the rising consumption in the smaller cities. Our Market City malls at Pune, Bangalore, Mumbai & Chennai are now stabilized and we continue to enhance our

offerings by improving the brand-mix, offering more F&B and entertainment options etc. During the last year, 33% of area in PMC Pune was up for renewal and we have managed to close the new deals at a significant premium to the old rates.

We have an on-going and planned residential portfolio of 5.5 million square feet of which we have launched 3.05 million square feet and sold 1.78 million square feet in cities of Bangalore, Chennai and Pune. In addition to this, we have 1.71 million square feet of completed/ under-construction commercial projects of which we have sold 1.03 million square feet. Our premium office space Art Guild House (0.76 million square feet) is nearing completion.

We are happy to share that Palladium Hotel has been re-branded as The St. Regis, Mumbai during this year marking the India debut of the Starwood Hotel's most premium brand. Total income for the year was ₹ 2,182 mn, a 27% increase over last year. With a total of 395 rooms, the hotel clocked an average occupancy of 72% with an ARR of ₹ 9,284, showing strong growth in Room, F&B and Banquet revenues. Courtyard by Marriott completed its first full year of operations and did revenues of ₹ 281 mn with 45% occupancy and ARR of ₹ 4,509. Within a short span of time, it was ranked amongst the top hotels in Agra.

During FY 2016, our focus was to consolidate the position of our malls, improve the profitability of our Hotels business and timely execution of our residential projects. In the coming year, we will commence hand over at One Bangalore West Phase I located at Rajajinagar in Bangalore, The Crest located at Nehru Nagar in Chennai and the commercial project Art Guild House located at Kurla in Mumbai. We also eagerly look forward to launching the luxury mall Palladium at Chennai.

Management Discussion & Analysis (MDA), which forms a part of this report, deals comprehensively with our current operations and projects in the pipeline. It also deals with the current & future outlook of the company. Further, during the year under review there was no change in the nature of business.

Share Capital

During the year under review, the Company issued and allotted by way of QIP, 79,91,907 Equity Shares of ₹ 2/- each fully paid-up at an Issue Price of ₹ 353.60 per Equity Share (including a premium of ₹ 351.60 per Equity Share) aggregating to ₹ 2825.94 Million. The proceeds of the issue was used for the purpose as stated in the Placement Document.

Further, during the Financial Year, the Company pursuant to exercise of stock options has issued and allotted 40,250 Equity Shares of ₹ 2 each. Consequently, the paid up equity share capital as on March 31, 2016 stood at ₹ 30,59,77,704 divided into 15,29,88,852 equity shares of ₹ 2 each.

During the year, the Company has not issued shares with differential voting rights nor sweat equity shares and hence no information as per the provisions of Section 43(a)(ii) and Section 54(1)(d) of the Companies Act, 2013 read with the relevant Rules is furnished.

Further, during the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Companies Act, 2013 read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

Dividend

During the year under review, the Board in its meeting held on March 9, 2016 declared and paid Interim Dividend of ₹ 1.75/- per share (@ 87.5%) for each fully paid up Equity Share of ₹ 2/-.

Further, subject to the approval of the Company's shareholders in the ensuing Annual General Meeting (AGM), the Board in its meeting held on May 13, 2016 has also recommended a final dividend of ₹ 0.45/- per share for the Financial Year ended March 31, 2016, (@ 22.5%) for each fully paid up Equity Share of ₹ 2/-. The said dividend, if declared in the ensuing AGM, shall not be taxable in the hands of the shareholders.

The Register of Members and Share Transfer Books will remain closed from Friday, September 2, 2016 till Thursday, September 8, 2016 (both days inclusive) for the purpose of payment of final dividend and the Annual General Meeting scheduled to be held on Thursday, September 8, 2016.

Transfer To Reserves

The Board has not recommended any transfer to the General Reserves out of the amount available for appropriation and an amount of ₹ 6781.10 million is proposed to be carried forward to the Statement of Profit and Loss.

Deposits

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

Management Discussion and Analysis Report

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI (LODR) Regulations, 2015') is presented in a separate section forming part of the Annual Report.

Particulars of Contracts or Arrangement with Related Parties

All related party transactions that were entered into during the Financial Year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company under Section 188 of the Companies Act 2013, with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large. Consequent upon which details as prescribed in Form AOC-2 are not required to be disclosed.

The details of transactions/contracts/arrangements entered by the Company with related party (ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the Financial Year under review, is given under Note 24 of the Notes to Accounts, which forms part of the Annual Report.

Material changes and commitments affecting financial position between the end of the Financial Year and date of the report

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the Financial Year of the Company and date of this report.

Performance of subsidiary companies, associates and joint venture companies

As on March 31, 2016, the Company has 16 direct subsidiaries, 8 indirect subsidiaries and 6 associates. During the year under review, there were no additions or deletions in the subsidiaries of the Company except Savannah Phoenix Private Limited which was earlier an associate and became a subsidiary w.e.f. April 7, 2015 and Gangetic Hotels Private Limited, which has become a subsidiary of the Company with effect from October 6, 2015. During the year under review, your Company did not have any Joint Venture Company.

During the year, the Company's Board reviewed the affairs of its subsidiaries on a quarterly basis. The consolidated financial statements of the Company are prepared in accordance with Section 129(3) of the Companies Act, 2013 and includes the financial statements of all its subsidiaries and forms part of the Annual Report. Further, a statement containing salient features of the financial statements of our subsidiaries and associates in the prescribed format AOC-1 is given on page no. 226 of the Annual Report. The statement also provides the details of performance and financial position of each of the subsidiaries and associates.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries are available on the website of the Company. These documents will also be available for inspection during the business hours at our registered office.

Corporate Governance

The Company is committed to uphold the highest standards of Corporate Governance and adhere to the requirements set out by the Securities and Exchange Board of India. A detailed report on Corporate Governance along with the Certificate of M/s. Rathi & Associates, Practicing Company Secretaries, confirming compliance of conditions of Corporate Governance, as stipulated under Regulation 34(3) read with Para E of Schedule V of the SEBI (LODR) Regulations, 2015 is appended as Annexure I to this report.

Particulars of Employees and Remuneration

The information required pursuant to Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure IIA to this report.

A statement containing the name of employees employed throughout the Financial Year and who are in receipt of remuneration of ₹ 60 Lakhs or more in a year and employees employed for part of the year and in receipt of remuneration of ₹ 5 lakhs or more in a month and employees employed throughout the Financial Year or part thereof, who were in receipt of remuneration in that year which in the aggregate, or as the case maybe, at a rate which, in the aggregate, is in excess of the remuneration drawn by the Managing Director and / or Whole – Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the Equity Shares of the Company as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure IIB to this report.

Payment of managerial remuneration/commission to directors from holding or subsidiary companies

The Company does not have a Holding Company. The managerial personnel i.e. Managing Director and Whole-time Directors of the Company are not in receipt of any managerial remuneration/commission from any subsidiary of the Company.

Board of Directors

Mr. Amit Kumar Dabriwala, Mr. Amit Dalal, Mr. Sivaramakrishnan Iyer and Ms. Shweta Vyas, Directors of the Company, qualify to be Independent Directors within the meaning of Section 149 of the Companies Act, 2013. The Company has received necessary declaration from all Independent Directors under Section 149(7) of the Companies Act, 2013 that they continue to meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015. In accordance with the provisions of the Act, none of the Independent Directors are liable to retire by rotation.

Mr. Suhail Nathini, Independent Director resigned from the Board w.e.f February 1, 2016. The Board places on record, its immense appreciation and gratitude for the services rendered by Mr. Nathani during his long tenure with the Company.

As per the provisions of Section 152 of the Companies Act, 2013, Mr. Pradumna Kanodia, Director, is retiring by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

Mr. Pradumna Kanodia was appointed as Director-Finance of the Company for a period of 5 years w.e.f April 28, 2011. Mr. Kanodia's term as Director – Finance expired on April 27, 2016. Mr. Kanodia has contributed extensively to the growth of the Company in the areas of project financing and banking thus supporting implementation of the business plans of the Phoenix Group. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have appointed Mr. Pradumna Kanodia as Director–Finance of the Company for a period of five years with effect from April 28, 2016, liable to retire by rotation.

The term of office of Mr. Shishir Shrivastava as Joint Managing Director of the Company is due to expire on July 29, 2016. Mr. Shishir Shrivastava is spearheading the Company's business development initiatives to effect its next round of expansion plans. Considering his valuable contribution in the growth and expansion of the Company it would, therefore be in the interest of the Company to continue to avail the benefits of his expertise.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have appointed Mr. Shishir Shrivastava as Joint Managing Director of the Company for a period of five years with effect from July 30, 2016, liable to retire by rotation.

The aforesaid appointments of Mr. Pradumna Kanodia as Director Finance and Mr. Shishir Shrivastva as Joint Managing Director of the Company would require consent of the shareholders of the Company pursuant to Section 196 read with Schedule V of the Companies Act, 2013.

A brief profile of the Directors proposed to be appointed and re-appointed in terms of Regulation 36(3) of SEBI (LODR) Regulations, 2015 is given in the AGM Notice contained in the Annual Report. The Board recommends the aforesaid re-appointments for your approval in the ensuing AGM.

Board Meetings

The Board of Directors met 7 times during the Financial Year ended March 31, 2016 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder, the details of which are given in the Corporate Governance Report that forms part of the Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and rules made thereunder.

Familiarization Program for Independent Directors

All new directors inducted into the Board are given a detailed orientation and induction. Further, at the time of appointment of an independent director, the Company issues a formal letter of appointment setting out the role and responsibilities. The format of the letter of appointment is available on our website.

During the year under review, no new director was inducted on the Board of the Company.

Annual Evaluation of Directors, Committees and Board

Pursuant to the provisions of clause (p) of sub-section (3) of Section 134 the Companies Act, 2013 and pursuant to sub – regulation (10) of Regulation 17 of SEBI (LODR) Regulations, 2015, the Board has adopted an Annual Performance Evaluation Policy. In terms of the Policy and as per the statutory provisions, the Independent Directors had a separate meeting on February 10, 2016 without the presence of the management in which they discussed and evaluated the performance of the Chairman, Executive Directors and KMPs and the Board as a whole through evaluation feedback forms. The Nomination and Remuneration Committee in its meeting held on February 10, 2016 also evaluated the performance of the Individual Directors and the Board as a whole. On the basis of the feedback and report of the Independent Directors and the Nomination and Remuneration Committee, the Board in its meeting held on May 13, 2016 has also evaluated the performance of individual directors, Board Committees and the Board and has noted its satisfaction on the outcome.

Nomination and Remuneration Committee

In accordance with the requirements of Section 178 of the Companies Act, 2013 and the rules made thereunder (including any statutory enactments thereof), the Board has constituted the Nomination and Remuneration Committee of the Board which comprises of Ms. Shweta Vyas as the Chairman and Mr. Amit Kumar Dabriwala and Mr. Sivaramakrishnan Iyer as members of the Committee.

The Board has also formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of directors and policy relating to remuneration for Directors, Key Managerial Personnel and other employees. The aforementioned detailed policy duly approved and adopted by the Board is appended as Annexure III to this report. The current policy focuses on having an appropriate mix of executive and independent directors to maintain the independence of the Board. There has been no change in the Policy since the last Financial Year. The Board affirms that the remuneration paid to the directors is as per the terms laid out in the Policy and as reviewed and recommended by the Nomination and Remuneration Committee.

Audit Committee

The Audit Committee of the Board of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013 and the rules made thereunder (including any statutory enactments thereof) and comprises of Mr. Amit Kumar Dabriwala as the Chairman of the Committee and Mr. Atul Ruia and Ms. Shweta Vyas as members of the Committee. The composition of the Audit Committee is in conformity with the provisions of the said section. The composition, scope and terms of reference of the Audit Committee as amended in accordance with the Act and SEBI (LODR) Regulations 2015 is detailed in the Corporate Governance Report.

During the year under review, the Board of Directors of the Company have accepted all the recommendations of the Committee.

Whistle Blower Policy/Vigil Mechanism for The Directors and Employees

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Board of Directors of the Company have, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed the Whistle Blower Policy/Vigil Mechanism for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc. The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee. No personnel have been denied access to the Audit Committee during the Financial Year ended March 31, 2016.

Visit http://www.thephoenixmills.com/PMLWhistleblowerPolicy.pdf for more details related to Whistle Blower Policy/Vigil Mechanism.

The Phoenix Mills Code of Conduct for Regulating & Reporting Trading by Insiders, 2015

The Board of Directors at their meeting held on May 28, 2015 have approved and adopted 'The Phoenix Mills Code of Conduct for Regulating & Reporting Trading by Insiders, 2015' ('the Insider Trading Policy') in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading Policy lays down guidelines and procedures to be followed, disclosures to be made while dealing in the securities of the Company. The Policy also states the consequences of violation. The Policy has been formulated to regulate, monitor and ensure reporting of dealings by the employees and to maintain highest ethical standards.

The Insider Trading Policy along with the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is available on the website of the Company.

Listing Agreement

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were notified by the Securities and Exchange Board of India on September 2, 2015 which came in effect from December 1, 2015. As per the new regulations, all listed companies were required to enter into a fresh Listing Agreement within a period of 6 months from the effective date. The Company entered into a Listing Agreement with BSE Limited and National Stock Exchange of India Limited on December 21, 2015.

Risk Management Policy

The Board of Directors of the Company has framed a Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in periodic management reviews.

Corporate Social Responsibility Policy

As per the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee which comprises of Mr. Ashokkumar Ruia as the Chairman of the Committee and Mr Atul Ruia and Ms. Shweta Vyas as members of the Committee. The Board of Directors of the Company has also adopted and approved CSR Policy based on the recommendation of the CSR Committee. The Company has initiated activities in accordance with the said Policy, the details of which have been provided in the CSR Report appended as Annexure IV to this report. The report also contains the composition of the CSR Committee as per Section 135(2) of the Companies Act, 2013.

The CSR Policy of the Company is available on the Company's website and can be accessed in the link http://www.thephoenixmills.com/CSRPolicy.pdf

Revision of Financial Statement

There was no requirement of revising the financial statements of the Company for the year under review.

Disclosure of Orders Passed by Regulators or Courts or Tribunal

No orders have been passed by any Regulator or Court or Tribunal which can have an impact on the going concern status and the Company's operations in future.

Particulars of Loans, Guarantees, Investments and Securities

Particulars of loans, guarantees, investments and securities provided during the Financial Year under review along with the purposes for which such loans, guarantees and securities are proposed to be utilized by the recipients thereof under Section 186 of the Companies Act, 2013, has been given under Note 40 of the Notes to Accounts.

Employee Stock Option Scheme (ESOP)

The details of Equity Shares issued under Employees Stock Option Scheme during the Financial Year under review as required under SEBI (Share Based Employee Benefits) Regulations, 2014 and as per the provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable Regulations, is annexed as Annexure V to this report.

Details as required under Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014 is available on the website of the Company at http://www.thephoenixmills.com/DisclosureunderRegulation14ofESOPRegulations2015.pdf.

Internal Control Systems

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place and have been operating satisfactorily. Internal Control Systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

Further, the Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. Proper policies and procedures are in place to ensure orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

Directors' Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2016, the Board of Directors hereby confirm that:

a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b. such accounting policies have been selected and applied consistently and the Directors have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for that period;

c. proper and sufficient care was taken for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the annual accounts of the Company have been prepared on a going concern basis;

e. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Secretarial Audit

In terms of the provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, and the rules made thereunder (including any statutory enactments thereof) the Board had appointed M/s Rathi and Associates, Practicing Company Secretaries, to conduct the Secretarial Audit of the Company for the Financial Year 2015-16. Secretarial Audit Report issued by M/s Rathi and Associates in Form MR-3 for the Financial Year 2015-16 is appended as Annexure VI to this report.

The said report does not contain any observation or qualification or adverse remark requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

The Board has re-appointed M/s Rathi and Associates, Practicing Company Secretaries as the Secretarial Auditors of the Company for the Financial Year 2016-17.

Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. A.M. Ghelani and Company (Firm Regn. No.103173W), Chartered Accountants and M/s. Chaturvedi and Shah (Firm Regn. No. 101720W), Chartered Accountants, Joint Statutory Auditors of the Company hold office upto the conclusion of the ensuing Annual General Meeting.

The said Statutory Auditors have confirmed their respective eligibility as per the provisions of the Companies Act, 2013 and their willingness to act as Auditors of the Company for Financial Year 2016-17, if re-appointed.

The Board recommends the re-appointment of M/s. A.M. Ghelani and Company, Chartered Accountants and M/s. Chaturvedi and Shah, Chartered Accountants, as the Joint Statutory Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the Company's 112th Annual General Meeting.

Auditors' Report

The matters of emphasis referred by the Auditors in their Report read with the relevant notes given in the Notes to Accounts for the year ended March 31, 2016, are detailed and self-explanatory and do not require any further explanation.

Fraud Reporting

During the year under review, there were no instances of material or serious fraud falling under Rule 13(1) of the Companies (Audit and Auditors) Rules, 2014, by officers or employees reported by the Statutory Auditors of the Company during the course of the audit.

Extract of Annual Return

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, extract of the Annual Return for the Financial Year ended March 31, 2016 made under the provisions of Section 92(3) of the Act in the prescribed Form MGT-9 is appended as Annexure VII to this Report.

Conservation of Energy and Technology Absorption

In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3)(A & B) of Companies (Accounts) Rules, 2014 regarding Conservation of Energy and Technology Absorption are not applicable to the Company.

Code of Conduct

The Board of Directors have approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the Company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings/behaviours of any form. The Code has been posted on the Company's website. The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity at the work place, in business practices and in dealing with stakeholders. All the Board members and the Senior Management personnel have confirmed compliance with the Code.

Foreign Exchange Outgo and Earnings

The particulars regarding foreign exchange expenditure and earnings are contained in Note Nos. 29 and 31 of the Notes to Accounts forming part of the financial statements for the Financial Year ended March 31, 2016.

Sexual Harassment Policy

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace and has also established an Internal Complaints Committee, as stipulated by The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules thereunder. During the year under review, no complaints in relation to such harassment at workplace have been reported.

Cautionary Statement

Statements in this Report, particularly those which relate to Management Discussion & Analysis as explained in the Corporate Governance Report, describing the Company's objectives, estimates and expectations may constitute "forward looking statements" within the meaning of the applicable laws and regulations. Actual results might differ materially from those expressed or implied in the statements depending on the circumstances.

Acknowledgement

The Board of Directors place on record their appreciation of the assistance, guidance and support extended by all the Regulatory Authorities including SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, Reserve Bank of India, the Depositories, Bankers and Financial Institutions, the Government at the Centre and States, as well as their respective Departments and Development Authorities in India and abroad connected with the business of the Company for their co-operation and continued support. The Company expresses its gratitude to the Customers for their trust and confidence in the Company.

In addition, your Directors also place on record their sincere appreciation of the commitment and hard work put in by the Registrar & Share Transfer Agents, all the suppliers, sub contractors, consultants, clients and employees of the Company.

On behalf of the Board of Directors
For The Phoenix Mills Limited

Ashokkumar Ruia
Chairman & Managing Director
DIN: 00086762

Place: Mumbai
Date: May 13, 2016

Regd. Office Address:
462, Senapati Bapat Marg,
Lower Parel, Mumbai – 400013,
CIN: L17100MH1905PLC000200
Tel.: (022) 2496 4307/8/9
Fax.: (022) 2493 8388
Email: corpaffairs@highstreetphoenix.com
Website: www.thephoenixmills.com

Annexure I

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
The Phoenix Mills Limited
462 Senapati Bapat Marg,
Lower Parel, Mumbai – 400 013

We have examined the compliance of conditions of Corporate Governance by The Phoenix Mills Limited ('the Company') for the Financial Year ended March 31, 2016 as stipulated in Clause 49 of the Listing Agreement entered into by the Company with Stock Exchange(s) (upto 30th November, 2015) and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (w.e.f. 1st December, 2015) with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Rathi & Associates**
Company Secretaries

Himanshu S. Kamdar
Partner
FCS No. 5171
COP No. 3030

Place: Mumbai
Date: May 13, 2016

Annexure II

DISCLOSURE AS PER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A. Information as per Rule 5(1) of the Companies (Appointment & Remuneration Of Managerial Personnel) Rules, 2014

i. Ratio of remuneration of each Executive Director to the median remuneration of the Employees of the Company for the Financial Year 2015-16, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director and Company Secretary during the Financial Year 2015-16.

Sl. No.	Name of Executive Director/KMP	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration
1.	Mr. Ashokkumar Ruia	Chairman & Managing Director	10.34:1	66.66%
2.	Mr. Atul Ruia	Joint Managing Director	10.34:1	66.66%
3.	Mr. Pradumna Kanodia	Director Finance	-	-
4.	Mr. Shishir Shrivastava	Joint Managing Director	-	-
5.	Ms. Puja Tandon	Company Secretary	N.A.	76.86%

Notes:

- The ratio of remuneration to median remuneration is based on remuneration paid during the period April 1, 2015 to March 31, 2016. Remuneration of Mr. Ashokkumar Ruia and Mr. Atul Ruia was increased from ₹ 60 Lakhs per annum to ₹ 1 Cr p.a., respectively, w.e.f. February 10, 2016
- Mr. Shishir Shrivastava and Mr. Pradumna Kanodia do not draw any remuneration from the Company as per the terms of their appointment approved by the shareholders.
- The Independent Non-Executive Directors of the Company are entitled for sitting fee and commission as per the statutory provisions and within the limits approved by the shareholders. The details of remuneration of Independent Non-Executive Directors are provided in the Corporate Governance Report and are governed by the Nomination and Remuneration policy adopted by the Board. The ratio of remuneration and percentage increase for Independent Non-Executive Directors Remuneration is therefore not considered for the purpose above.
- Percentage increase in remuneration indicates annual compensation increases, as approved by the Nomination and Remuneration Committee of the Company during the Financial Year 2015-16.
- The Company has designated Mr. Atul Ruia, Joint Managing Director, Mr. Pradumna Kanodia, Director – Finance and Ms. Puja Tandon, Company Secretary as the key managerial personal of the Company in compliance with section 203 of Companies Act, 2013.

ii. The percentage increase in the median remuneration of employees for the Financial Year 2015-16 was 9%.

iii. The Company had 99 permanent employees on its rolls as on March 31, 2016.

iv. Relationship between average increase in remuneration and Company's performance:

Every year, increase in compensation of employees of the Company is decided on the basis of a benchmarking exercise that is undertaken with the peers. Increase in salary during the year was in line with Company's performance, annual appraisals, and replacements and also as per Company's market competitiveness.

v. Comparison of remuneration of each Key Managerial Personnel against the performance of the Company:

The Company has designated Mr. Atul Ruia, Joint Managing Director, Mr. Pradumna Kanodia, Director – Finance and Ms. Puja Tandon, Company Secretary as the key managerial personal of the Company in compliance with section 203 of the Companies Act, 2013. Mr. Pradumna Kanodia does not draw any remuneration from the Company as per the terms of his appointment approved by the shareholders.

Given the superior business performance, salary corrections, increased responsibilities and the performance rating of the Key Managerial Personnel, appropriate reward by way of merit increase has been awarded to them for the Financial Year 2015-16. The remuneration of Key Managerial Personnels increased by an average of 71.76% in 2015-16 whereas the Net Profit of the Company increased by 143.9% from ₹ 618.52 Million in 2014-15 to ₹ 1508.93 Million in 2015-16. Total revenue of the Company increased by 10.34% from ₹ 4121.90 Million in 2014-15 to ₹ 4548.16 Million in 2015-16.

vi. The market capitalization of the Company decreased by 11.21% from ₹ 51,742.29 Million as on March 31, 2015 to ₹ 45,942.55 million as on March 31, 2016. The price earnings ratio of the Company was 83.59 as at March 31, 2015 and 29.97 as at March 31, 2016. The closing price of the Company's Equity Shares on National Stock Exchange of India Limited and BSE Limited as on March 31, 2016 was ₹ 300.30 and ₹ 300.05 respectively of face value ₹ 2 each. The Shares of the Company were first listed on the BSE in the year 1959. The Equity Shares of the Company were subsequently listed on National Stock Exchange of India Limited in April 2007 at a price of ₹ 1650 per Equity Share of face value ₹ 10 each.

vii. Average percentile increase in the salaries of employees other than the managerial personnel during the Financial Year was 13.5%. The average increase every year is an outcome of Company's market competitiveness as against its peer group companies.

Since the last managerial remuneration of Mr. Ashokkumar Ruia and Mr. Atul Ruia was increased in April 2010, considering the organizational growth and their vision, business acumen, leadership and unparallel contribution to the expansion of the business, the Nomination and Remuneration Committee decided to increase their remuneration from ₹ 60 lacs per annum to ₹ 1 Crores per annum w.e.f February 10, 2016 reflecting in an increase of 66.66%. The increased remuneration is in line with remuneration generally paid by equivalent size of companies at that levels across the industry.

viii. None of the directors of the Company has been paid remuneration based on the parameters of variable components.

ix. The ratio of the remuneration of the highest paid Director to that of the Employees who are not Directors but receive remuneration in excess of the highest paid Director during the year: 1:1.45

x. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company for its Directors and Key Managerial Personnel

B. Statement pursuant to Rule 5(2) Of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. (i.) Any employee if employed throughout the Financial Year, was in receipt of remuneration for that year which, in the aggregate, was not less than ₹ 60 lakhs and (ii) Any employee if employed for a part of the Financial Year, was in receipt of remuneration for any part of that year, at a rate, which, in the aggregate, was not less than ₹ 5 lakhs per month.

Name of employee	Designation	Remuneration received	Nature of employment	Qualification	Experience (in Number of years)	Date of commencement of employment	Age	Previous employment and designation	% of equity shares held by the employee in the Company
Mr. Ashokkumar Ruia	Chairman & Managing Director	65,63,220	Permanent	Graduate	53	08-Nov-1963	72 yrs	NA	2.39%
Mr. Atul Ruia	Joint Managing Director	65,63,220	Permanent	Bachelors in Business Management	20	19-Nov-1996	45 yrs	NA	1.57%
Mr. Manish Ashok Singh	VP - Leasing	72,76,408	Permanent	BA	16	05-Sep-2011	40 yrs	Pioneer Property Zone Pvt Ltd, as AGM – Retail Leasing Services	-
Mr. Rajendra Kalkar	President (West)	95,38,861	Permanent	B. E. Electrical, PGD - Export Management	21	11-Jan-2010	49 yrs	DLF Services Ltd, as Sr. GM-Operations.	-

Notes:

- None of the employees mentioned above is a relative of any Director of the Company except Mr. Ashokkumar Ruia, Chairman and Managing Director and Mr. Atul Ruia, Joint Managing Director who are related to each other as father and son respectively.
- None of the employees who were employed throughout the Financial Year ended March 31, 2016 or part thereof, were in receipt of remuneration for that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, was in excess of that drawn by the Managing Director and held, by himself or along with his spouse and dependent children, 2% or more of the equity shares of the Company.
- None of the employees, not being directors or their relatives, were drawing more than sixty lakh rupees per Financial Year or five lakh rupees per month, as the case may be, were posted and working in a country outside India.

On behalf of the Board of Directors
For The Phoenix Mills Limited

Place: Mumbai
Date: May 13, 2016

Ashokkumar Ruia
Chairman & Managing Director
DIN: 00086762

Annexure III

Nomination & Remuneration Policy

1. Preface

The Company understands the importance of attracting and retaining highly talented individuals at all levels of the organization. The Company and its management endeavor to recruit and retain employees who achieve operational excellence and create value for shareholders. The Company believes that a transparent, fair and reasonable process is vital for determining the appropriate remuneration at all levels of the Organization and is committed to ensure that all the stakeholders remain informed and confident in the management of the Company. The Board has constituted the Nomination and Remuneration Committee (the "Committee") to assist the Board in discharging its responsibilities relating to compensation of the Company's directors and other senior level employees.

2. Objectives

The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Independent, Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions.
- To recommend to the Board, the appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To determine criteria for remuneration of the Directors and Key Managerial Personnel based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel and provide necessary report to the Board for further evaluation by the Board.
- To provide them rewards linked directly to their efforts, performance, dedication and achievement relating to the Company's operations and growth.
- To lay down policies to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To devise a policy on Board diversity.

3. Definitions

'Act' means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

'Board' means Board of Directors of the Company.

'Committee' means the Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board from time to time.

'Company or the Company' means The Phoenix Mills Limited.

'Director(s)' mean Director(s) of the Company.

'Independent Director' means a Independent Director of the Company appointed pursuant to the provisions of Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

"Key Managerial Personnel" means a key-managerial personnel as defined under the Companies Act, 2013 and includes

(i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;

(ii) Company Secretary; and

(iii) Chief Financial Officer

'Senior Management' means Senior Management means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

4. Policy

This Policy is divided in two sections Part A and Part B. Part A covers the appointment and nomination related policies. Part – B covers remuneration related policies.

4.1. Part A - Appointment and Nomination

4.1.1 Criteria for Board Membership

The Committee shall take into account following points for appointment of a person as Director, KMP or at Senior Management level and recommend to the Board his/her appointment accordingly.

- Shall possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/ satisfactory for the concerned position.
- Shall possess the highest personal and professional ethics, integrity, values and moral reputation and be eligible to hold the office under the provisions of the Companies Act, 2013 and Rules made thereunder and the Listing Agreement and the applicable policies of the Company.

4.1.2 Additional Criteria for Independent Directors

In addition to the criteria mentioned above, a person proposed to be appointed as an Independent Director shall meet all criteria specified in Section 149(6) of the Companies Act, 2013 and rules made thereunder and Clause 49 of the Listing Agreement.

4.1.3 Term/Tenure

The Term/Tenure of the Directors shall be in accordance with the provisions of the Companies Act, 2013 and rules made there under and Clause 49 of the Listing Agreement as applicable and as amended from time to time.

4.1.4 Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or the applicable policies of the Company, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

4.1.5 Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board shall have the discretion to retain a Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

4.1.6 Policy on Board diversity

The Company believes that a truly diverse Board would be necessary for effectively managing the affairs of the Company. Diversity in terms of the skills, regional and industry experience, background, gender and other diversities between Directors is essential to enable the Board, as a whole, to achieve the desired results for the Company. These distinctions shall be considered in determining the optimum composition of the Board and when possible shall be balanced appropriately. All Board appointments shall be made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective. The Board shall have at least one Board member who has accounting or related financial management expertise and at least three members who are financially literate.

4.2 Part B – Remuneration and Perquisites

The Committee shall recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals: The remuneration/compensation/commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

4.2.1 Managing Director/Whole-time Director/Executive Director

Besides the above criteria, the remuneration/compensation/commission etc to be paid to Managing Director/Whole-time Director/Executive Director etc shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

4.2.2 Non executive Independent Directors

The Non-Executive Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof and commission based on the performance of the Company in each Financial Year and as approved by the Board and shareholders. Provided that the amount of such fees and commission shall be subject to ceiling/limits as provided under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force. An Independent Director shall not be entitled to any stock options of the Company.

4.2.3 KMPs/Senior Management Personnel etc

The remuneration to be paid to KMPs/Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

5. Disclosure

The Criteria for remuneration of Directors shall be disclosed in the Annual Report. The Policy shall be made available on the Company's website and the Policy and evaluation criteria shall be published in the Annual Report.

6. Review

The Board shall periodically review this Policy to determine its appropriateness to the needs of the Company. The Board shall have the authority to amend the Policy, if required.

On behalf of the Board of Directors
For The Phoenix Mills Limited

Place: Mumbai
Date: May 13, 2016

Ashokkumar Ruia
Chairman & Managing Director
DIN: 00086762

Annexure IV

Annual Report on CSR Activities
(Pursuant to Section 135 of the Companies Act, 2013 read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014).

The Company is committed to the philosophy of compassionate care and endeavors to act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. The Company strives towards becoming a socially responsible corporate entity with a thrust on community development, and education through sustained business conduct. Further, the Company subscribes towards ensuring environmental sustainability through ecological conservation and regeneration and promoting biodiversity. The CSR policy of the Company articulates what CSR means to the Company, kind of projects to be undertaken, identifying broad areas of intervention, approach to be adopted to achieve the CSR goals and monitoring mechanism.

In line with the Company's vision, values and mission, the Board of Directors have identified the following core areas for CSR.

- Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation (including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation) and making available safe drinking water;
- Promotion of education, including special education and employment enhancing vocation skills (especially amongst children, women, elderly and differently-abled) and livelihood enhancement projects;
- Promotion of gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water (including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga);
- Promotion and development of traditional arts and handicrafts;
- Training to promote rural sports and nationally recognized sports, paralympic sports and Olympic sports;
- To undertake or to contribute for rural development projects;
- To undertake or to contribute for slum area development projects;
- Contribution to the Prime Minister's National Relief Fund or any other fund set-up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- To contribute to other approved Funds undertaking activities and efforts in the aforesaid areas (as may be approved from time-to-time, in this regard).

Visit www.thephoenixmills.com for more details related to our CSR policy.

CSR committee
The Board has constituted a CSR Committee that provides oversight of CSR policy execution to ensure that the CSR objectives of the Company are met. Our CSR Committee comprises of the following board members

Name	Category
Mr. Ashokkumar Ruia (Chairman)	Chairman and Managing Director
Mr. Atul Ruia	Joint Managing Director
Ms. Shweta Vyas	Independent Director

Financial Details

Section 135 of the Companies Act, 2013 and Rules made there under prescribe that every company having a net worth of ₹ 500 crore or more, or turnover of ₹ 1,000 crore or more or a net profit of ₹ 5 crore or more during any of the three preceding financial years shall ensure that the Company spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The provisions pertaining to corporate social responsibility as prescribed under the Companies Act, 2013 are applicable to The Phoenix Mills Limited. The financial details as sought by the Companies Act, 2013 are as follows:

Particulars	Amount (₹ Lacs)
Average net profit of the Company for last three financial years	16,601.29
Prescribed CSR expenditure (2% of the average net profit as computed above)	332.03
Details of CSR expenditure during the Financial Year	
Total amount to be spent for the Financial Year 2015-16	332.03
Amount Spent	36.27
Amount Unspent	295.76

Company's CSR Initiatives during the FY 2015-16

During the Financial Year ended March 31, 2016 the Company has incurred its CSR related expenditure in the areas of conservation of natural resources, maintaining quality of soil, air and water and training and rehabilitation of special children, which are among the areas identified and approved by the Company's Board for CSR related activities.

The Company has been working with Aakar Charitable Trust (a registered Trust with a track record of more than a decade) as the implementing agency for the purpose of carrying out its CSR activities relating to conservation of natural resources, etc. The Trust mostly works in the area of constructing water harvesting structures popularly known as 'check dams' in water starved rural areas and villages. These check dams involve comparatively small masonry constructions and extensive earthen bunds. The check dams have all the advantages of the larger dams and do not involve any displacement and rehabilitation of people, water logging, risk of breach thereby preventing extensive damage to life and property. These check dams ensure preservation of water for drinking, agriculture, cattle rearing purposes.

Apart from the above mentioned CSR activity, during the year ended March 31, 2016 the Company has also incurred CSR expenditure on its objective of promoting employment enhancing vocation skills amongst differently-abled children. The Company collaborated with Jai Vakeel Foundation and Research Centre formerly known as The Research Society for the Care, Treatment & Training of Children in need of Special Care. Jai Vakeel Foundation and Research Centre is one of the oldest and largest not for profit organizations in the country serving children and older individuals with mental challenges and other related disabilities. The Trust ensures a clean and healthy environment in which children with special needs can be trained to maximize their potential to the fullest. The Company partnered with the Trust for training and rehabilitation of special children to help them lead happier and fruitful lives.

Manner in which the amount spent during the financial year is detailed below:

1	2	3	4	5	6		7	8
S. No.	**CSR Project or activity identified**	**Sector in which the project is covered**	**Project or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken**	**Amount outlay (budget) project or programs wise (in Rs. Lacs)**	**Amount spent on the projects or programs sub heads (Rs. in Lacs)**		**Cumulative expenditure up to the reporting period**	**Amount spent Direct or through implementing agency**
					Direct Expenditure on project and programs	**Overheads**		
1	Construction of Check Dams	Conservation of natural resources and maintaining quality of soil, air and water	Construction of 2 Check dams in Alwar and Paali district of Rajasthan.	26.24	26.24	Nil	26.24	Aakar Charitable Trust

1	2	3	4	5	6		7	8
S. No.	**CSR Project or activity identified**	**Sector in which the project is covered**	**Project or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken**	**Amount outlay (budget) project or programs wise (in Rs. Lacs)**	**Amount spent on the projects or programs sub heads (Rs. in Lacs)**		**Cumulative expenditure up to the reporting period**	**Amount spent Direct or through implementing agency**
					Direct Expenditure on project and programs	**Overheads**		
2	Promoting employment enhancing vocation skills amongst differently-abled children	Promotion of education, including special education and employment enhancing vocation skills (especially amongst children, women, elderly and differently-abled) and livelihood enhancement projects	Collaborated with Jai Vakeel Foundation and Research Centre for training and rehabilitation of special children	10.02	10.02	Nil	10.02	Jai Vakeel Foundation and Research Centre
	Total			36.26	36.26	Nil	36.26	

Reason for unspent amount on CSR

During the FY2015-16, the Company through the said Trust has focused on the water deprived villages of Rajasthan and has removed scarcity of water in certain villages by constructing check dams.

The CSR committee has constantly monitored the activities of the Trust and approved each of its proposals after due consideration. Implementation of each check dam has taken about two to three months on an average. During the year, the Trust has been able to identify two villages to deploy its resources and has completed construction of 2 check dams. Further, 3 check dams which were under construction last year have been completed this year.

Aakar is in the process of identifying other needy villages for construction of check dams and the Company will provide the required funds immediately upon presentation of the proposals of the Trust to the CSR Committee and its approval thereof.

The Company has an unspent amount of Rs. 2.95 crores for FY15-16. Going forward, while continuing to incur expenditure on the above projects, the Company will also endeavor to take up new initiatives to fulfil its CSR commitments.

Our CSR responsibilities

The CSR committee of the Board of Directors of the Company hereby affirms that the implementation and monitoring of Corporate Social Responsibility (CSR) Policy is in compliance with CSR objectives and policy of the Company.

Mr. Atul Ruia
Joint Managing Director
DIN 00087396

Ashokkumar Ruia
Chairman of CSR Committee
DIN: 00086762

Annexure V

Disclosures pursuant to Section 62(1)(b) of the Companies Act, 2013 and SEBI (Share Based Employee Benefits) Regulations, 2014 for the Financial Year ended March 31, 2016.

1.	Total No. of Equity Shares covered by ESOP Scheme approved by the Shareholders on January 31, 2008.	33,90,000 (As per the Scheme approved, an aggregate number of 6,78,000 options convertible into One Equity Share of ₹ 10/- each were available for grant. Consequent to sub-division of the face value of the Equity Shares from ₹ 10/- per share to ₹ 2/- per share, necessary adjustments were made to the total number of options)	
2.	Vesting requirements	As per the Plan	
3.	Exercise price	Grant date - June 10, 2008 ₹ 270	Grant date - March 26, 2015 ₹ 316.80
4.	Pricing formula	Exercise Price not less than par value of Equity Share and not more than price prescribed under Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2009 on Grant Date.	
5.	Maximum term of options granted	Not exceeding a period of 5 years from the date of grant.	
6.	Source of shares (primary, secondary or combination)	Primary	
7.	Variation in terms of options	Reduction in exercise price by ₹ 35.20 per share for grant of options on March 26, 2015	
8.	i. Method of calculation of employee compensation cost	Fair value	
	ii. Difference between the employee compensation cost so computed at i) above and the employee compensation cost that shall have been recognized if it had used the fair value of the Options	Not Applicable	
	iii. The impact of this difference on profits and on EPS of the Company.	Not Applicable	
9.	Diluted Earnings Per Share (EPS) pursuant to issue of Equity Shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 ' Earnings Per Share'	₹ 10.02	
Option movement during the Financial Year			
10.	Number of options outstanding at the beginning of the period	2,19,306	
11.	Number of options granted during the year	Nil	
12.	Number of options forfeited/lapsed during the year	Nil	
13.	Number of options vested during the year	1,24,306	
14.	Number of options exercised during the year	40,250	
15.	Number of Equity Shares arising as a result of exercise of options	40,250	
16.	Money realized by exercise of options (INR), if scheme is implemented directly by the Company	₹ 1,08,67,500	
17.	Loan repaid by the Trust during the Financial Year from exercise price received	NA	
18.	Number of options outstanding at the end of the Financial Year	1,79,056	
19.	Number of options exercisable at the end of the Financial Year	84,056	
20.	a. Weighted-average exercise prices of options b. Weighted-average fair values of options	₹ 292.53 ₹ 153.26	
21.	Fair Value of Options based on Black Scholes methodology after applying following weighted average assumptions	Grant date - June 10, 2008	Grant date - March 26, 2015
	i. Risk free interest rate	8.07%	8.23%
	ii. Expected life	1 to 8	1 to 8 years
	iii. Expected volatility	45.00%	35.00%
	iv. Expected dividend yield	0.63%	0.80%
	v. Price of underlying shares	₹ 274.07	₹ 352.47

Notes:

- The Company in its meeting held on December 19, 2007 has formulated and adopted The Phoenix Mills Employees Stock Option Plan 2007 which was approved by the shareholders on January 31, 2008. There were no changes in the Scheme since its adoption and the same is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
- No employee was granted stock options amounting to 5% or more of the total grants or equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of the grant, during the Financial Year.
- No stock options were granted to any Director, Senior Managerial Personnel or Key Managerial Personnel of the Company during the Financial Year.

On behalf of the Board of Directors
For The Phoenix Mills Limited

Place: Mumbai
Date: May 13, 2016

Ashokkumar Ruia
Chairman & Managing Director
DIN: 00086762

Annexure VI

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

To
The Members
THE PHOENIX MILLS LIMITED
462 Senapati Bapat Marg,
Lower Parel, Mumbai-400013

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **The Phoenix Mills Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the Financial Year ended 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **The Phoenix Mills Limited** ("the Company") as given in Annexure - A, for the Financial Year ended on 31st March, 2016, according to the provisions of:
   (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
   (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
   (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
      i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
      ii. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
      iii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; and
      iv. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the Financial Year under report:-
   i. The Securities and Exchange Board of India (Delisting of equity shares) Regulations, 2009; and
   ii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
   ii. The Securities and Exchange Board of India (Registrars to a Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; and
   iv. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

3. Provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of External Commercial Borrowings were not attracted to the Company under the Financial Year under report.

4. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with other Acts, Laws and Regulations applicable specifically to the Company as per the list given in Annexure - B.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and

(ii) The Listing Agreements entered into by the Company with Stock Exchange(s) (upto 30th November, 2015) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (w.e.f. 1st December, 2015);

During the Financial Year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Rathi & Associates
Company Secretaries

Himanshu S. Kamdar
Partner
FCS No. 5171
COP No. 3030

Place: Mumbai
Dated: May 11, 2016

Note: This report should be read with our letter of even date which is annexed as Annexure - C and forms an integral part of this report.

ANNEXURE – A

List of documents verified

1. Memorandum & Articles of Association of the Company;
2. Annual Report for the Financial Year ended 31st March, 2015;
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Compensation Committee, Independent Directors Remuneration Committee, Finance and Investment Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee of the Company along with the respective Attendance Registers for meetings held during the Financial Year under report;
4. Minutes of General Body Meetings held during the Financial Year under report;
5. Proof of circulation and delivery of notice, agenda and notes to agenda for Board and Committee meetings.
6. Proof of circulation of draft as well as certified signed Board & Committee meetings minutes as per Secretarial Standards.
7. Policies framed by the Company viz:
   - Policy on Related Party Transactions
   - Policy on Material Subsidiaries
   - Whistle Blower Policy
   - Corporate Social Responsibility Policy
   - Risk Management Policy & Framework
   - Nomination & Remuneration Policy
   - Code of Conduct for Independent Directors
   - The Phoenix Mills Ltd – Code of Conduct for Employees
   - Internal Financial Controls
   - Policy for Determination of Material Events and
   - Archival Policy
8. Statutory Registers viz.
   - Register of Directors & Key Managerial Personnel,
   - Register of Directors' Shareholding
   - Register of Employee Stock Options,
   - Register of loans, guarantees and security and acquisition made by the Company (Form No. MBP-2),
   - Register of Contracts with related party and contracts and Bodies etc. in which directors are interested (Form No. MBP-4), and
   - Register of Charge (Form No. CHG-7);
9. Copies of Notice, Agenda and Notes to Agenda submitted to all the directors/members for the Board Meetings and Committee Meetings as well as resolutions passed by circulation;
10. Declarations received from the Directors of the Company pursuant to the provisions of Section 184(1), Section 164(2) and Section 149(7) of the Companies Act, 2013;
11. Intimations received from directors and other insiders under the prohibition of Insider Trading Code;
12. E-Forms filed by the Company, from time to time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the Financial Year under report;
13. Intimations/documents/reports/returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement entered with the Stock Exchanges and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the Financial Year under report;
14. Documents related to payments of dividend made to its shareholders during the Financial Year under report;
15. Documents related to issue of shares under ESOP Scheme viz. ESOP Scheme, Exercise forms, Listing applications, Corporate Action Form, etc. filed with Stock Exchanges and Listing approvals received thereon;
16. E-mails evidencing dissemination of information related to closure of Trading window;
17. Internal Code of Conduct for prevention of Insider Trading by Employees/Directors/Designated Persons of the Company;
18. Statement of Related Party Transactions entered into by the Company during the Financial Year under report;
19. Documents filed with Stock Exchanges;
20. Compliance Certificate placed before the Board of Directors from time to time;
21. Details of Sitting Fees paid to all directors for attending the Board Meetings and Committees.

ANNEXURE - B

List of applicable laws to the Company

1. Income Tax Act and Rules made thereunder
2. Service Tax Act and Rules made thereunder
3. Sexual Harassment of Women at Workplace Prevention Prohibition & Redressal Act and Rules made thereunder
4. Maharashtra Fire Prevention & Life Safety Measures Act and Rules made thereunder
5. Maharashtra Regional & Town Planning Act, 1966
6. Maharashtra Rent Control Act, 1999
7. Bombay Shops & Establishment Act and Rules made thereunder
8. Development Control Regulations for Mumbai Metropolitan Region, 1999
9. Development Control Regulations for Greater Bombay, 1991
10. Maharashtra Municipalities Act, 1965
11. Mumbai Municipal Corporation Act, 1888
12. Maharashtra State Tax On Professions Trades Callings & Employments Act and Rules made thereunder
13. Maharashtra Tax on Entry of Goods Into Local Areas Act and Rules made thereunder
14. Maharashtra Value Added Tax Act and Rules made thereunder
15. Indian Stamp Act 1899 and Bombay Stamp Act
16. Air Prevention & Control of Pollution Act and Rules made thereunder (Central and Maharashtra Rules)
17. Environment Protection Act and Rules made thereunder
18. Water Prevention & Control of Pollution Act and Rules made thereunder (Central and Maharashtra Rules)
19. Industrial Employment Standing Orders Act and Rules made thereunder (Central and Maharashtra Rules)
20. Building & Other Construction Workers Welfare Cess Act and Rules made thereunder
21. Building Other Construction Workers Regulation Of Employment & Condition of Service Act and Rules made thereunder (Central and Maharashtra Rules)
22. Contract Labour Regulation & Abolition Act and Rules made thereunder (Central and Maharashtra Rules)
23. Employees Compensation Act and Rules made thereunder
24. Employees Deposit Linked Insurance Scheme1976
25. Employees Pension Scheme 1995
26. Employees Provident Funds & Miscellaneous Provisions Act and Scheme made thereunder
27. Employees State Insurance Act, Rules, Regulations and Scheme made thereunder
28. Employers Liability Act, 1938
29. Personal Injuries Compensation Insurance Act, Rules and Scheme made thereunder
30. Central Sales Tax Act and Rules made thereunder (Central and Maharashtra Rules)
31. Equal Remuneration Act and Rules made thereunder
32. Maternity Benefit Act and State Rules made thereunder (Central and Maharashtra Rules)
33. Minimum Wages Act and Rules made thereunder (Central and Maharashtra Rules)
34. Payment of Bonus Act and Rules made thereunder
35. Payment of Gratuity Act and Rules made thereunder
36. Payment of Wages Act and Rules made thereunder
37. Bombay Labour Welfare Fund Act and Rules made thereunder
38. Bombay Lifts Act 1939
39. Maharashtra Workmen Minimum House Rent Allowance and Rules made thereunder
40. Indian Copyright Act and Rules made thereunder
41. Trade Marks Act and Rules made thereunder
42. Information Technology Amendment Act and Rules made thereunder
43. Electricity Act and Rules made thereunder

44. Industrial Dispute Act and Rules made thereunder
45. Selection Installation & Maintenance of First Aid Fire Extinguishers Code of Practice
46. Central Motor Vehicles Act and Rules made thereunder
47. Collection of Statistics Act and Rules made thereunder
48. Energy Conservation Act and Rules made thereunder
49. Employment Exchanges Compulsory Notification of Vacancies Act and Rules made thereunder
50. Competition Act, 2002
51. Cigarettes and Other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003 and Prohibition of Smoking in Public Places Rules, 2008
52. Maharashtra Private Security Guards (Regulation of Employment and Welfare) Act 1981, Maharashtra Private Security Guards (Regulation of Employment and Welfare) Rules, 1981 and Private Security Guards (Regulation of Employment and Welfare) Scheme, 2002
53. Maharashtra Mathadi, Hamal and Other Manual Workers (Regulation of Employment and Welfare) Act, 1969
54. Central Excise Act, 1944 and Cenvat Credit Rules, 2004
55. Essential Commodities Act, 1955
56. Prevention of Black Marketing & Maintenance of Supplies of Essential Commodities Act, 1980
57. Weekly Holidays Act, 1942
58. Right To Fair Compensation & Transparency In Land Acquisition Rehabilitation & Resettlement Act, 2013
59. Customs Act and Rules made thereunder
60. Customs Tariff Act, 1975

ANNEXURE - C

To,
The Members
The Phoenix Mills Limited
Mumbai

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Rathi & Associates
Company Secretaries

Himanshu S. Kamdar
Partner
FCS No. 5171
COP No. 3030

Place: Mumbai
Date: May 11, 2016

Annexure VII

FORM No. MGT - 9

EXTRACT OF ANNUAL RETURN

As on Financial Year ended on 31st March 2016

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L17100MH1905PLC000200
Registration Date	January 27, 1905
Name of the Company	The Phoenix Mills Limited
Category/Sub-Category of the Company	Company limited by Shares/Non-govt Company
Address of the Registered office and contact details	462, Senapati Bapat Marg, Lower Parel, Mumbai Tel: 022-30016600 Fax: 022-30016818
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound L.B.S. Marg, Bhandup (West) Mumbai - 400 078 Tel. No.: 022-25963838 Fax No.: 022-25946969

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
1	Construction of Buildings carried out on own-account basis or on a fee or contract basis	41001	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	% of shares held (effective holding)
Subsidiary Companies [Section 2(87)(ii)]			
1	Alliance Spaces Private Limited*	U55101MH2007PTC169101	33.01
2	Bellona Hospitality Services Limited*	U74999MH1995PLC085663	100.00
3	Big Apple Real Estate Private Limited#	U17125UP2007PTC083025	100.00
4	Blackwood Developers Private Limited@	U45400UP2007PTC070178	100.00
5	Butala Farm Lands Private Limited&	U70200MH1996PTC104404	100.00
6	Classic Mall Development Company Private Limited*	U70100MH2005PTC156875	50.01
7	Enhance Holdings Private Limited*	U67120MH2007PTC169479	100.00
8	Gangetic Developers Private Limited%	U74899DL1951PTC001959	58.61
9	Gangetic Hotels Private Limited@	U55101UP2007PTC033633	42.98
10	Graceworks Realty and Leisure Private Limited^	U72900MH2000PTC126232	44.02
11	Island Star Mall Developers Private Limited*	U45200MH2006PTC161067	100.00
12	Market City Management Private Limited^	U74999MH2008PTC183667	100.00
13	Market City Resources Private Limited*	U55100MH2006PTC159544	100.00
14	Mugwort Land Holdings Private Limited*	U45202MH2007PTC169133	94.86
15	Offbeat Developers Private Limited*	U55200MH2000PTC124192	65.37
16	Palladium Constructions Private Limited*	U45400MH2008PTC178115	79.52
17	Pallazzio Hotels and Leisure Limited^	U67120MH1995PLC085664	100.00
18	Phoenix Hospitality Company Private Limited^	U55209MH2006PTC161066	56.92
19	Pinnacle Real Estate Development Private Limited^	U70100MH2006PTC161072	100.00
20	Plutocrat Assets and Capital Management Private Limited*	U65990MH1991PTC060487	100.00
21	Sangam Infrabuild Corporation Private Limited@	U45201UP2006PTC031651	100.00
22	Savannah Phoenix Private Limited*	U55101MH2012PTC235585	100.00
23	Upal Developers Private Limited@	U45201UP2006PTC069979	100.00
24	Vamona Developers Private Limited*	U45201MH2006PTC165253	86.55
Associate Company [Section 2(6)]			
1	Classic Housing Projects Private Limited*	U45400MH2005PTC156887	50.00
2	Escort Developers Private Limited*	U45400MH2007PTC171778	50.00
3	Galaxy Entertainment (India) Private Limited^	U92410MH1998PTC114472	49.02
4	Galaxy Entertainment Corporation Limited$	L51900MH1981PLC024988	23.56
5	Mirabel Entertainment Private Limited^	U55101MH2007PTC172946	28.46
6	Starboard Hotels Private Limited	U55101MH1996PTC101044	28.47

*Registered Office at C/o Marketcity Resources Private Limited, R.R. Hosiery Building, Shree Laxmi Woolen Mills Estate, Opp. Shakti Mills, Off. Dr. E- Moses Road, Mahalaxmi, Mumbai – 400 011
^Registered Office at Phoenix Mills Premises, 462, Senapati Bapat Marg, Lower Parel, Mumbai -400013
#Registered Office at Phoenix United Mall CP-8, Sector B, LDA Colony, 5th Floor, Kanpur Road, Lucknow - 226012
@Registered Office at Mahmoodabad Estate Hazratganj, Lucknow, UP - 226001
&Registered Office at #30, Prestige Point, 1st Floor, 283 Shukrawar Peth, Pune - 411002
%Registered Office at C-11, Panchsheel Enclave IIIrd Floor, New Delhi - 110017
$Registered Office at 3rd Floor, Block A, Orchid City Centre Mall, 225 Belasis road, Mumbai Central, Mumbai - 400008

IV. i. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a)Individual/HUF	9931781	-	9931781	6.85	10001920	-	10001920	6.54	-0.31
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	85638182	-	85638182	59.08	86208962	-	86208962	56.35	-2.73
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):	**95569963**	**-**	**95569963**	**65.93**	**96210882**	**-**	**96210882**	**62.89**	**-3.04**
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A) = (A)(1) + (A) (2)	**95569963**		**95569963**	**65.93**	**96210882**		**96210882**	**62.89**	**-3.04**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	4710208	-	4710208	3.25	4860049	-	4860049	3.18	-0.07
b) Banks/FI	8503	-	8503	0.01	1757	-	1757	0.00	-0.01
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e)Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	33131283	-	33131283	22.86	25173638	-	25173638	16.46	-6.40
h)Foreign Venture Capital Funds	1401416	-	1401416	0.97	750000	-	750000	0.49	-0.48
i) Others (Foreign Portfolio Investor (Corporate))	1999026	-	1999026	1.38	19680028	-	19680028	12.86	11.48
Sub-total (B)(1):	**41250436**	**-**	**41250436**	**28.46**	**50465472**	**-**	**50465472**	**32.99**	**4.53**
(2)Non-Institutions									
a) Bodies Corp.									
i) Indian	4023461	4750	4028211	2.78	2452544	4750	2457294	1.6	-1.18
ii) Overseas	-	-	-	-	-	-	-	-	
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	2563938	535411	3099349	2.14	2781919	520571	3302490	2.16	0.02
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	500103	53750	553853	0.38	148300	-	148300	0.10	-0.28
c) Others									
i) Non Resident Indians (Repat)	289680	-	289680	0.20	180882	-	180882	0.12	-0.08
ii) Non Resident Indians (Non Repat)	105570	-	105570	0.07	105682	-	105682	0.07	0.00
iii) Clearing Member	35733	-	35733	0.02	20349	-	20349	0.01	-0.01
iv) Directors/Relatives	23650	-	23650	0.02	49545	-	49545	0.03	0.01
v) Trusts	250	-	250	0.00	250	-	250	0.00	0.00
vi) HUF	0	-	0	0.00	47706	-	47706	0.03	0.03
Sub-total(B)(2):	**7542385**	**593911**	**8136296**	**5.61**	**5787177**	**525321**	**6312498**	**4.13**	**-1.48**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**48792821**	**593911**	**49386732**	**34.07**	**56252649**	**525321**	**56777970**	**37.11**	**3.04**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**144362784**	**593911**	**144956695**	**100**	**152463531**	**525321**	**152988852**	**100**	**5.64**

IV. ii. SHAREHOLDING OF PROMOTERS

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	% change in shareholding during the year
1	Ruia International Holding Company Private Limited	49207037	33.95	-	49347248	32.26	Nil	-1.69
2	Senior Holdings Pvt. Ltd.	15142550	10.45	-	15490049	10.13	Nil	-0.32
3	Radhakrishna Ramnarain Pvt. Ltd.	11617930	8.01	-	11667800	7.63	Nil	-0.38
4	Ashok Apparels Pvt. Ltd.	9670665	6.67	-	9670665	6.32	Nil	-0.35
5	Ashton Real Estate Development Private Limited	-	-	-	33200	0.02	Nil	0.02
5	Mr. Ashokkumar Radhakrishna Ruia	3659594	2.52	-	3659594	2.39	Nil	-0.13
6	Mr. Atul Ashok Ruia	2335362	1.61	-	2403501	1.57	Nil	-0.04
7	Ms. Amla Ashokkumar Ruia	2125000	1.47	-	2125000	1.39	Nil	-0.08
8	Ms. Gayatri Atul Ruia	1534890	1.06	-	1534890	1.00	Nil	-0.06
9	Sharanya A.Ruia Beneficiary Trust	276935	0.19	-	278935	0.18	Nil	-0.01
	Total	**95569963**	**65.93**	**-**	**96210882**	**62.89**	**Nil**	**-3.04**

IV. iii. CHANGE IN PROMOTERS' SHAREHOLDING:

Sl. No.	Name of the Shareholder	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (April 1, 2015 to March 31, 2016)	% of total shares of the Company
		No. of shares at the beginning of the year (April 1, 2015) and at the end of the year (March 31, 2016)	% of total shares of the Company					
1	Ruia International Holding Company Private Limited							
	At the beginning of the year	49207037	33.95				49207037	33.95
				8-Oct-15	43000	Acquisition	49250037	32.19
				9-Oct-15	60000	Acquisition	49310037	32.23
				26-Nov-15	28490	Acquisition	49338527	32.25
				30-Nov-15	3302	Acquisition	49341829	32.25
				9-Dec-15	5419	Acquisition	49347248	32.26
	At the end of the year	49347248	32.26				49347248	32.26
2	Senior Advisory Services Private Limited (formerly known as Senior Holding Private Limited)							
	At the beginning of the year	15142550	10.45				15142550	10.45
				7-Sep-15	2890	Acquisition	15145440	9.90
				8-Sep-15	2459	Acquisition	15147899	9.90
				9-Sep-15	500	Acquisition	15148399	9.90
				8-Oct-15	28000	Acquisition	15176399	9.92
				9-Oct-15	50000	Acquisition	15226399	9.95
				26-Nov-15	11300	Acquisition	15237699	9.96
				17-Mar-16	227650	Acquisition	15465349	10.11
				18-Mar-16	24700	Acquisition	15490049	10.12
	At the end of the year	15490049	10.12				15490049	10.12

Sl. No.	Name of the Shareholder	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (April 1, 2015 to March 31, 2016)	% of total shares of the Company
		No. of shares at the beginning of the year (April 1, 2015) and at the end of the year (March 31, 2016)	% of total shares of the Company					
3	Radhakrishna Ramnarain Private Limited							
	At the beginning of the year	11617930	8.01				11617930	8.01
				27-Aug-15	4220	Acquisition	11622150	7.60
				8-Oct-15	30000	Acquisition	11652150	7.62
				26-Nov-15	2650	Acquisition	11654800	7.62
				21-Mar-16	13000	Acquisition	11667800	7.63
	At the end of the year	11667800	7.63				11667800	7.63
4	Ashok Apparels Private Limited							
	At the beginning of the year	9670665	6.67				9670665	6.67
				No Change				
	At the end of the year	9670665	6.32				9670665	6.32
5	Mr. Ashokkumar Ruia							
	At the beginning of the year	3659594	2.52				3659594	2.52
				No Change				
	At the end of the year	3659594	2.39				3659594	2.39
6	Mr. Atul Ruia							
	At the beginning of the year	2335362	1.61				2335362	1.61
				27-Apr-15	6,520	Acquisition	2341882	1.62
				22-Jul-15	5,525	Acquisition	2347407	1.53
				26-Aug-15	11,000	Acquisition	2358407	1.54
				27-Aug-15	13,394	Acquisition	2371801	1.55
				28-Aug-15	6,000	Acquisition	2377801	1.55
				31-Aug-15	6,000	Acquisition	2383801	1.56
				1-Sep-15	7,000	Acquisition	2390801	1.56
				2-Sep-15	6,500	Acquisition	2397301	1.57
				9-Sep-15	5,500	Acquisition	2402801	1.57
				11-Sep-15	500	Acquisition	2403301	1.57
				14-Sep-15	200	Acquisition	2403501	1.57
	At the end of the year	2403501	1.57				2403501	1.57
7	Ms. Amla Ruia							
	At the beginning of the year	2125000	1.47				2125000	1.47
				No Change				
	At the end of the year	2125000	1.39				2125000	1.39
8	Ms. Gayatri Ruia							
	At the beginning of the year	1534890	1.06				1534890	1.06
				No Change				
	At the end of the year	1534890	1.00				1534890	1.00
9	Sharanya A.Ruia Benificiary Trust							
	At the beginning of the year	276935	0.19				276935	0.19
				15-Sep-15	1350	Acquisition	278285	
				16-Sep-15	650	Acquisition	278935	0.18
	At the end of the year	278935	0.18				278935	0.18
10	Ashton Real Estate Development Private Limited							
	At the beginning of the year	-	-				0	0.00
				3-Sep-15	1400	Acquisition	1400	0.00
				4-Sep-15	3000	Acquisition	4400	0.00
				26-Nov-15	28800	Acquisition	33200	0.02
	At the end of the year	33200	0.02				33200	0.02

Note: 1. Issued and paid up shares of the Company comprises of 152988852 Equity Shares of ₹ 2.00 each.
2. The details of holding has been clubbed based on PAN.

IV. iv. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

Sr No.	Name of the Shareholder	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (April 1, 2014 to March 31, 2015)	% of total shares of the Company
		Number of Shares at the beginning of the year (April 1, 2015) and end of the year (March 31, 2016)	% of total shares of the Company					
1	Nordea 1 Sicav - Emerging Stars Equity Fund							
	At the beginning of the year	6138865	4.23				6138865	4.23
				10-Apr-15	-19360	Sale	6119505	4.22
				17-Apr-15	6498	Purchase	6126003	4.23
				24-Apr-15	8994	Purchase	6134997	4.23
				1-May-15	58062	Purchase	6193059	4.27
				22-May-15	599949	Purchase	6793008	4.69
				5-Jun-15	5908	Purchase	6798916	4.69
				19-Jun-15	180065	Purchase	6978981	4.81
				17-Jul-15	9272	Purchase	6988253	4.57
				24-Jul-15	30728	Purchase	7018981	4.59
				7-Aug-15	13226	Purchase	7032207	4.60
				14-Aug-15	6221	Purchase	7038428	4.60
				21-Aug-15	136630	Purchase	7175058	4.69
				11-Sep-15	145035	Purchase	7320093	4.78
				20-Nov-15	426478	Purchase	7746571	5.06
				27-Nov-15	-38915	Sale	7707656	5.04
				15-Jan-16	-4537	Sale	7703119	5.04
				29-Jan-16	33800	Purchase	7736919	5.06
				5-Feb-16	1009420	Purchase	8746339	5.72
				19-Feb-16	260267	Purchase	9006606	5.89
				26-Feb-16	139999	Purchase	9146605	5.98
				4-Mar-16	18871	Purchase	9165476	5.99
				11-Mar-16	2554	Purchase	9168030	5.99
	At the end of the year	9168030	5.99				9168030	5.99
2	Fidelity Investment Trust Fidelity Series Emerging Markets Fund							
	At the beginning of the year	7011182	4.84				7011182	4.84
				4-Sep-15	-7583	Sale	7003599	4.58
				11-Sep-15	-66660	Sale	6936939	4.53
				9-Oct-15	-148860	Sale	6788079	4.44
				6-Nov-15	-17000	Sale	6771079	4.43
				20-Nov-15	-4800	Sale	6766279	4.42
				15-Jan-16	-3553	Sale	6762726	4.42
				22-Jan-16	-3902	Sale	6758824	4.42
				11-Mar-16	-678	Sale	6758146	4.42
	At the end of the year	6758146	4.42				6758146	4.42
3	Reliance Capital Trustee Co. Ltd A/C - Reliance Regular Savings Fund - Equity Option							
	At the beginning of the year	2000000	1.38				2000000	1.38
				No Change				
	At the end of the year	2000000	1.31				2000000	1.31

Sr No.	Name of the Shareholder	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (April 1, 2014 to March 31, 2015) No. of Shares	% of total shares of the Company
		Number of Shares at the beginning of the year (April 1, 2015) and end of the year (March 31, 2016)	% of total shares of the Company					
4	**The Phoenix Mills Limited - Unclaimed Suspense Account**							
	At the beginning of the year	**1760750**	**1.21**				1760750	1.21
				10-Apr-15	-250	Sale	1760500	1.21
				24-Apr-15	-5000	Sale	1755500	1.21
				12-Jun-15	-1250	Sale	1754250	1.21
				30-Jun-15	-500	Sale	1753750	1.21
				10-Jul-15	-750	Sale	1753000	1.21
				24-Jul-15	-250	Sale	1752750	1.15
				21-Aug-15	-750	Sale	1752000	1.15
				11-Sep-15	-500	Sale	1751500	1.14
				9-Oct-15	-250	Sale	1751250	1.14
				30-Oct-15	-2500	Sale	1748750	1.14
				27-Nov-15	-2500	Sale	1746250	1.14
				18-Dec-15	-50	Sale	1746200	1.14
				8-Jan-16	250	Purchase	1746450	1.14
				15-Jan-16	-500	Sale	1745950	1.14
				22-Jan-16	-750	Sale	1745200	1.14
				12-Feb-16	-250	Sale	1744950	1.14
				26-Feb-16	-3750	Sale	1741200	1.14
				11-Mar-16	-23400	Sale	1717800	1.12
	At the end of the year	**1717800**	**1.12**				1717800	1.12
5	**College Retirement Equities Fund - Stock Account**							
	At the beginning of the year	**1401586**	**0.97**				1401586	0.97
				19-Jun-15	-16877	Sale	1384709	0.95
				24-Jul-15	131250	Purchase	1515959	0.99
				18-Mar-16	-24830	Sale	1491129	0.97
	At the end of the year	**1491129**	**0.97**				1491129	0.97
6	**Vanguard International Explorer Fund**							
	At the beginning of the year	**0**	**0**				0	0
				24-Jul-15	1438800	Purchase	1438800	0.94
	At the end of the year	**1438800**	**0.94**				1438800	0.94
7	**Sundaram Mutual Fund A/C Sundaram select Midcap**							
	At the beginning of the year	**1263620**	**0.87**				1263620	0.87
				17-Apr-15	-29944	Sale	1233676	0.85
				24-Apr-15	32038	Purchase	1265714	0.87
				1-May-15	-7500	Sale	1258214	0.87
				22-May-15	1000	Purchase	1259214	0.87
				26-Jun-15	-6418	Sale	1252796	0.86
				30-Jun-15	-5073	Sale	1247723	0.86
				24-Jul-15	169683	Purchase	1417406	0.93
				23-Oct-15	1556	Purchase	1418962	0.93
				30-Oct-15	17108	Purchase	1436070	0.94
	At the end of the year	**1436070**	**0.94**				1436070	0.94

Sr No.	Name of the Shareholder	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (April 1, 2014 to March 31, 2015) No. of Shares	% of total shares of the Company
		Number of Shares at the beginning of the year (April 1, 2015) and end of the year (March 31, 2016)	% of total shares of the Company					
8	**Macquarie Emerging Markets Asian Trading Pte. Ltd.**							
	At the beginning of the year	**0**	**0**				0	0.00
				6-Nov-15	1390000	Purchase	1390000	0.91
				26-Feb-16	40000	Purchase	1430000	0.93
				4-Mar-16	1000	Purchase	1431000	0.94
	At the end of the year	**1431000**	**0.94**				1431000	0.94
9	**Nordea Far East Fund**							
	At the beginning of the year	**811615**	**0.56**				811615	0.56
				22-May-15	80835	Purchase	892450	0.62
				17-Jul-15	64917	Purchase	957367	0.63
				24-Jul-15	215083	Purchase	1172450	0.77
				7-Aug-15	107065	Purchase	1279515	0.84
				20-Nov-15	1588	Purchase	1281103	0.84
				27-Nov-15	25995	Purchase	1307098	0.85
				29-Jan-16	30700	Purchase	1337798	0.87
				19-Feb-16	39451	Purchase	1377249	0.90
				26-Feb-16	22371	Purchase	1399620	0.91
	At the end of the year	**1399620**	**0.91**				1399620	0.91
10	**Mondrian Emerging Markets Small Cap Equity Fund, L.P.**							
	At the beginning of the year	**0**	**0**				0	0.00
				24-Jul-15	1334959	Purchase	1334959	0.87
				4-Mar-16	2822	Purchase	1337781	0.87
				18-Mar-16	7350	Purchase	1345131	0.88
	At the end of the year	**1345131**	**0.88**				1345131	0.88
11	**Government of Singapore - E***							
	At the beginning of the year	**1377252**	**0.95**				1377252	0.95
				10-Apr-15	-195952	Sale	1181300	0.81
				31-Mar-16	35000	Purchase	1216300	0.80
	At the end of the year	**1216300**	**0.80**				1216300	0.80
12	**Merrill Lynch Capital Markets Espana S. A. S. V.***							
	At the beginning of the year	**2768250**	**1.91**				2768250	1.91
				31-Jul-15	-10000	Sale	2758250	1.80
				7-Aug-15	-47000	Sale	2711250	1.77
				14-Aug-15	-24000	Sale	2687250	1.76
				21-Aug-15	-12000	Sale	2675250	1.75
				28-Aug-15	-7000	Sale	2668250	1.74
				4-Sep-15	-20946	Sale	2647304	1.73
				18-Sep-15	-66054	Sale	2581250	1.69
				25-Sep-15	-138800	Sale	2442450	1.60
				30-Sep-15	-6600	Sale	2435850	1.59
				9-Oct-15	-94600	Sale	2341250	1.53
				16-Oct-15	-18000	Sale	2323250	1.52
				23-Oct-15	-62000	Sale	2261250	1.48
				6-Nov-15	-1385825	Sale	875425	0.57
	At the end of the year	**875425**	**0.57**				875425	0.57

Sr No.	Name of the Shareholder	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (April 1, 2014 to March 31, 2015) No. of Shares	% of total shares of the Company
		Number of Shares at the beginning of the year (April 1, 2015) and end of the year (March 31, 2016)	% of total shares of the Company					
13	**Americorp Ventures Limited***							
	At the beginning of the year	**1401416**	**0.97**				1401416	0.97
				10-Apr-15	-967	Sale	1400449	0.97
				17-Apr-15	-11600	Sale	1388849	0.96
				24-Apr-15	-28332	Sale	1360517	0.94
				1-May-15	-47080	Sale	1313437	0.91
				5-Jun-15	-1364	Sale	1312073	0.90
				26-Jun-15	-94956	Sale	1217117	0.84
				30-Jun-15	-22226	Sale	1194891	0.82
				3-Jul-15	-33874	Sale	1161017	0.80
				10-Jul-15	-1592	Sale	1159425	0.80
				24-Jul-15	-159918	Sale	999507	0.65
				9-Oct-15	-20000	Sale	979507	0.64
				23-Oct-15	-46581	Sale	932926	0.61
				30-Oct-15	-33311	Sale	899615	0.59
				6-Nov-15	-149615	Sale	750000	0.49
	At the end of the year	**750000**	**0.49**				750000	0.49
14	**Invesco Asia Consumer Demand Fund***							
	At the beginning of the year	**1320000**	**0.91**				1320000	0.91
				22-May-15	-559263	Sale	760737	0.52
				5-Jun-15	-65132	Sale	695605	0.48
				12-Jun-15	-71312	Sale	624293	0.43
				19-Jun-15	-285710	Sale	338583	0.23
				26-Jun-15	-41684	Sale	296899	0.20
				3-Jul-15	-5211	Sale	291688	0.20
				10-Jul-15	-185301	Sale	106387	0.07
				17-Jul-15	-106387	Sale	0	0.00
	At the end of the year	**0.00**	**0.00**				0	0.00

Note: 1. Issued and paid up shares of the Company comprises of 152988852 Equity Shares of ₹ 2.00 each.
2. The details of holding has been clubbed based on PAN.
3. Details of top 10 shareholders are based on the data as on April 1, 2015 and March 31, 2016
*Not in the list of Top 10 shareholders as on March 31, 2016. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on April 1, 2015

IV. v SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sl. No.	Name of Directors/KMP	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (April 1, 2015 to March 31, 2016)	% of total shares of the Company
		No. of shares at the beginning of the year (April 1, 2015) and at the end of the year (March 31, 2016)	% of total shares of the Company					
1	**Mr. Ashokkumar Ruia**							
	At the beginning of the year	**3659594.00**	**2.52**				3659594.00	2.52
				-	-	-	3659594.00	2.39
	At the end of the year	**3659594.00**	**2.39**				3659594.00	2.39
2	**Mr. Atul Ruia**							
	At the beginning of the year	**2335362.00**	**1.61**				2335362.00	1.61
				27-Apr-15	6520	Acquisition	2341882.00	1.62
				22-Jul-15	5525	Acquisition	2347407.00	1.53
				26-Aug-15	11000	Acquisition	2358407.00	1.54
				27-Aug-15	13394	Acquisition	2371801.00	1.55
				28-Aug-15	6000	Acquisition	2377801.00	1.55
				31-Aug-15	6000	Acquisition	2383801.00	1.56
				1-Sep-15	7000	Acquisition	2390801.00	1.56
				2-Sep-15	6500	Acquisition	2397301.00	1.57
				9-Sep-15	5500	Acquisition	2402801.00	1.57
				11-Sep-15	500	Acquisition	2403301.00	1.57
				14-Sep-15	200	Acquisition	2403501.00	1.57
	At the end of the year	**2403501.00**	**1.57**				2403501.00	1.57
3	**Mr. Pradumna Kanodia**							
	At the beginning of the year	**Nil**						
				No Change				
	At the end of the year	**Nil**						
4	**Mr. Shishir Shrivastava**							
	At the beginning of the year	**22200.00**	**0.02**				22200.00	0.02
				5-Jun-15	25000	ESOP Allotment	47200.00	0.03
	At the end of the year	**47200.00**	**0.03**				47200.00	0.03
5	**Mr. Amit Dalal**							
	At the beginning of the year	**Nil**						
						No Change		
	At the end of the year	**Nil**						
6	**Mr. Amit Kumar Dabriwalal**							
	At the beginning of the year	**Nil**						
				No Change				
	At the end of the year	**Nil**						
7	**Mr. Sivaramakrishnan Iyer**							
	At the beginning of the year	**Nil**						
				No Change				
	At the end of the year	**Nil**						
8	**Ms. Shweta Vyas**							
	At the beginning of the year	**Nil**						
				No Change				
	At the end of the year	**Nil**						
9	**Ms. Puja Tandon**							
	At the beginning of the year	**Nil**						
				No Change				
	At the end of the year	**Nil**						

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(In ₹)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i) Principal Amount	5,991,349,930	550,000,000	-	6,541,349,930
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	39,877,652	-	-	39,877,652
Total (i+ii+iii)	**6,031,227,582**	**550,000,000**	**-**	**6,581,227,582**
Change in Indebtedness during the Financial Year				
- Addition	720,635,920	950,000,000	-	1,670,635,920
- Reduction	4,927,254	-	-	4,927,254
Net Change	**715,708,666**	**950,000,000**	**-**	**1,665,708,666**
Indebtedness at the end of the Financial Year				
i) Principal Amount	6,711,985,850	1,500,000,000	-	8,211,985,850
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	34,950,398	35,299,180	-	70,249,578
Total (i+ii+iii)	**6,746,936,248**	**1,535,299,180**	**-**	**8,282,235,428**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Mr. Ashokkumar Ruia	Mr. Atul Ruia	Mr. Pradumna Kanodia	Mr. Shishir Shrivastava	Total Amount
1	Gross salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	6,563,220	6,563,220	-	-	13,126,440
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission					
	- as % of profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
	Others, please specify	-	-	-	-	-
5	**Total (A)**	**6,563,220**	**6,563,220**	**-**	**-**	**13,126,440**
	Ceiling as per the Act*					212,761,287

#Mr. Pradumna Kanodia has been granted 105556 Stock Options on March 26, 2015

*Being 10% of the Net Profit of the Company calculated as per Section 198 of the Companies Act, 2013

B. Remuneration to Other Directors

(In ₹)

Sl. No.	Particulars of Remuneration	Name of Director					Total Amount
		Mr. Amit Dalal	Mr. Amit Kumar Dabriwala	Mr. Sivaramakrishnan Iyer	Ms. Shweta Vyas	Mr. Suhail Nathani*	
1	**Independent Directors**						
	Fee for attending board/ committee meetings	120,000	195,000	120,000	185,000	70,000	690,000
	Commission	250,000	250,000	250,000	250,000	250,000	1,250,000
	Others, please specify	-	-	-	-	-	-
	Total (1)	**370,000**	**445,000**	**370,000**	**435,000**	**320,000**	**1,940,000**
2	**Other Non-Executive Directors**						
	Fee for attending board/ committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total B = (1+2)	**370,000**	**445,000**	**370,000**	**435,000**	**320,000**	**1,940,000**
	Ceiling as per the Act**	-	-	-	-	-	21,276,129
	Total Managerial Remuneration (A+B)	-	-	-	-	-	15,066,440
	Overall Ceiling as per the Act***	-	-	-	-	-	234,037,416

* Ceased to be a Director w.e.f February 1, 2016
**Being 1% of the Net Profit of the Company calculated as per Section 198 of the Companies Act, 2013
***Being 11% of the Net Profit of the Company calculated as per Section 198 of the Companies Act, 2013

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Amount in ₹

Sl. No.	Particulars of Remuneration	Ms. Puja Tandon Company Secretary	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	25,64,404	25,64,404
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify	-	-
	Others, please specify	-	-
5	**Total (A)**	**25,64,404**	**25,64,404**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act, 2013	Brief Description	Details of Penalty/ Punishment/ Compounding Fees imposed	Authority (RD/ NCLT/Court)	Appeal made, if any (give details)
A. Company					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
B. Directors					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
C. Other Officers in Default					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

On behalf of the Board of Directors
For The Phoenix Mills Limited

Place: Mumbai
Date: May 13, 2016

Ashokkumar Ruia
Chairman & Managing Director
DIN: 00086762

The St. Regis, Mumbai

04

Report on Corporate Governance

Report on Corporate Governance

Your Directors are pleased to present the Companies Report on Corporate Governance in compliance with the Corporate Governance provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations 2015').

Management's Philosophy on Corporate Governance

The Management is committed to good Corporate Governance and as a part of its growth strategy, it places the highest importance on strengthening and further developing Corporate Governance initiatives.

The Board believes that governance is a continuously evolving idea to continue doing business in a disciplined, legal and ethical way and it places its governance practices under continuous review and continues benchmarking it to the best practices around the globe. The Management's philosophy on corporate governance is directed at conducting business in an ethical and professional manner and to enhance confidence of all stakeholders, viz.; shareholders and investors, customers and clients, employees, regulatory bodies, all those who deal with the Company and public in general, since we believe that adhering to the standards of best Corporate Governance practice is essential to achieve long term corporate goals and enhance shareholders value. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. The Company's philosophy on Corporate Governance oversees business strategies and ensures accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. It is commitment of the management to values and ethical business conduct.

The Company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreements (applicable upto November 30, 2015) and Regulation 17 to 27 read with Part C of Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI LODR Regulations 2015 (applicable w.e.f. December 1, 2015), as applicable, with regard to corporate governance.

Board of Directors

Composition of the Board

Pursuant to Section 149(4) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI LODR Regulations 2015, the Company has a balanced Board, comprising of Executive and Non-Executive Directors which includes independent professionals with rich experience and expertise from diverse background relevant to the Company's business requirements, who have long standing experience and expertise in their respective fields.

The Board has an Executive Chairman and accordingly pursuant to the provisions of Regulation 17(1)(b) of SEBI LODR Regulations, 2015, half of the Board is required to consist of Independent Directors. As on March 31, 2016, the Company's Board comprised of four Executive Directors and four Independent Directors.

As per the declarations received by the Company from each of the Directors, none of is the directors are disqualified from being appointed as a Director under Section 164(2) of the Companies Act, 2013.

None of the Directors on the Board hold directorships in more than ten public companies. Disclosures have been made by the Directors regarding their Chairmanships/Memberships of the mandatory Committees of the Board and the same are within the permissible limits as stipulated under Regulation 26(1) of SEBI LODR Regulations 2015.

Composition and Attendance

The composition of the Board and other relevant details relating to Directors as on March 31, 2016 are given below:

Name of the Director	Nature of Directorship/ Designation	DIN	No. of other Directorships*	Membership and Chairmanship of Committees of the Board of other Companies (**)	
				Chairmanships	Memberships
Promoter Directors					
Mr. Ashokkumar Ruia	Chairman & Managing Director	00086762	19	Nil	Nil

Name of the Director	Nature of Directorship/ Designation	DIN	No. of other Directorships*	Membership and Chairmanship of Committees of the Board of other Companies (**)	
				Chairmanships	Memberships
Mr. Atul Ruia	Joint Managing Director	00087396	19	Nil	Nil
Executive Directors					
Mr. Shishir Shrivastava	Joint Managing Director	01266095	13	Nil	Nil
Mr. Pradumna Kanodia	Director- Finance	01602690	7	Nil	3
Independent Non-Executive Directors					
Mr. Amit Kumar Dabriwala	Independent Director	00164763	14	1	7
Mr. Amit Dalal	Independent Director	00297603	8	1	2
Mr. Sivaramakrishnan Iyer	Independent Director	00503487	6	2	2
Ms. Shweta Vyas	Independent Director	06996110	Nil	Nil	Nil
Mr. Suhail Nathani[@]	Independent Director	01089938	NA	NA	NA

*Directorships held by the Directors, as mentioned above: (i) do not include directorships held in the Company (ii) include directorships held in foreign companies, private limited companies and companies under Section 8 of the Companies Act, 2013.

**Committees considered for the purpose of computing membership/chairmanship are those prescribed under Regulation 26(1) of SEBI LODR Regulations 2015 viz. Audit Committee and Stakeholders' Relationship Committee of the Indian public limited companies (including private limited companies, which are considered as public limited companies in terms of Section 2(71) of the Companies Act, 2013). Committee membership details provided do not include chairmanship of committees as it has been provided separately. Further, it also excludes chairmanship and membership of committees of the Board of the Company.

[@]Mr. Suhail Nathani resigned as director from the Company's Board w.e.f February 1, 2016.

Except Mr. Ashokkumar Ruia and Mr. Atul Ruia, who are father and son respectively and Promoter Directors, none of the Directors are relatives of any other Director.

None of the directors except the following, held equity shares in the Company as on March 31, 2016:
Mr. Ashokkumar Ruia – 36,59,594 shares
Mr. Atul Ruia – 24,03,501 shares
Mr. Shishir Shrivastava – 47,200 shares

Appointment/Re-appointment of Directors

In terms of Section 149(13) of the Companies Act, 2013, the provisions of Section 152(6) and (7) of the said Act in respect of retirement of directors by rotation shall not be applicable to appointment of Independent Directors. Therefore, pursuant to Section 152 of the Companies Act, 2013, Mr. Pradumna Kanodia is liable to retire by rotation at the ensuing Annual General Meeting. Proposal for his re-appointment is incorporated in the Notice of the ensuing Annual General Meeting.

Detailed profiles and other information as required under Regulation 36(3) of the SEBI LODR Regulations 2015, of the proposed appointees are provided in the Notice of the ensuing Annual General Meeting.

Board Meetings and Annual General Meeting

During the Financial Year 2015-16, seven meetings of the Board of Directors were held i.e. on May 11, 2015, May 28, 2015, June 20, 2015, August 13, 2015, November 5, 2015, February 10, 2016 and March 9, 2016. The time gap between any two meetings was less than one hundred and twenty days. The previous Annual General Meeting of the Company was held on September 9, 2015. Necessary quorum was present for all the meetings. When deemed expedient, the Board also approves important and urgent items of business through resolution by circulation, which could not be deferred till the next Board Meeting.

Details of attendance of Directors in Board Meetings held during the Financial Year 2015-2016 and in the previous Annual General Meeting are as follows:

Name of the Director	No. of Board meetings attended (total held during tenure of Director in FY 2015-16)	Attendance at Last Annual General Meeting
Mr. Ashokkumar Ruia	6 (7)	Yes
Mr. Atul Ruia	6 (7)	Yes

Name of the Director	No. of Board meetings attended (total held during tenure of Director in FY 2015-16)	Attendance at Last Annual General Meeting
Mr. Shishir Shrivastava	7 (7)	No
Mr. Pradumna Kanodia	7 (7)	Yes
Mr. Amit Kumar Dabriwala	5 (7)	No
Mr. Amit Dalal	4 (7)	Yes
Mr. Sivaramakrishnan Iyer	4 (7)	Yes
Ms. Shweta Vyas	5 (7)	Yes
Mr. Suhail Nathani*	3 (5)	Yes

*Mr. Suhail Nathani resigned as director from the Company's Board w.e.f. February 1, 2016.

Separate meeting of the Independent Directors

Pursuant to Schedule IV of the Companies Act, 2013 read with the rules made thereunder and Regulation 25(3) of the SEBI LODR Regulations 2015, Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-Independent Directors and members of management. All the Independent Directors of the Company shall strive to be present at such meeting and shall, inter-alia:

i. review performance of Non-Independent Directors and the Board as a whole;

ii. review performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;

iii. assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Accordingly, in compliance with the aforesaid requirements all Independent Directors of the Company met separately on February 10, 2016 without presence of any Non-Independent Directors or representatives of management to review and discuss inter alia, the performance of Non-Independent Directors, Executive Directors, Chairman of the Board and performance of the Board as a whole. They have conveyed their satisfaction on the performances of Non-Independent Directors, Managing Directors, Joint Managing Directors and Board as a whole.

Information available to the Board of Directors

The Board has complete access to all the relevant information of the Company and to that of all our employees. The information/data/updates shared with the Board includes:

i. Annual operating plans and budgets and any updates thereto.

ii. Capital budgets and any updates thereto.

iii. Quarterly results for the Company and its operating divisions or business segments.

iv. Minutes of meetings of the Board and Board Committees, resolutions passed by circulations and Board minutes of the unlisted subsidiary companies.

v. The information on recruitment and remuneration of senior officers just below the board level, appointment or removal of Chief Financial Officer and the Company Secretary.

vi. Show cause, demand, prosecution notices and penalty notices which are materially important.

vii. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.

viii. Any material default in financial obligations to and by the Company.

ix. Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.

x. Details of joint venture and collaboration agreement.

xi. Transactions that may involve substantial payment towards goodwill, brand equity, or Intellectual Property (IP), if any.

xii. Significant labour problems and their proposed solutions. Any significant development in human resources/industrial relations front like signing of wage agreement, implementation of voluntary retirement scheme etc.

xiii. Sale of investments, subsidiaries, assets, which are of material in nature and not in normal course of business.

xiv. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.

xv. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

xvi. Compliance reports pertaining to all applicable laws to the Company and instances of non-compliances, if any, as well as steps taken to rectify such instances.

xvii. Updates on Succession Planning for appointment to the Board of Directors and Senior Management.

Board Procedures

The Board meetings are governed by structured agenda. The agenda along with comprehensive notes and background material are circulated well in advance to all the Directors for facilitating effective discussion and decision making. The Board members may bring up any matter for consideration of the Board, in consultation with the Chairman. Presentations are made by the management on the Company's operations and other important matters on a periodic basis. The proceedings of the meetings of the Board and its Committees are recorded in the form of minutes and the draft minutes are circulated to the Board for perusal. The important decisions taken at the Board/Committee meetings are communicated to the concerned departments/divisions promptly.

In line with the requirements of the SEBI LODR Regulations 2015 and the Companies Act, 2013, the Board at its meeting held on May 13, 2016 has evaluated the performance of all Independent Directors and has noted that the result of evaluation was satisfactory.

Code of Conduct

Code of Conduct is derived from three interlinked fundamental principles, viz.; good corporate governance, good corporate citizenship and exemplary personal conduct. The Board has laid down a Code of Conduct for all Board members and senior management of the Company. The Code also provides for the duties of Independent Directors as laid down in the Companies Act, 2013. The Company has obtained confirmation of compliance with the Code from all members of the Board and senior management of the Company for the Financial Year 2015-16. As required under Regulation 34(3) read with Schedule V of the SEBI LODR Regulations 2015, the declaration on compliance of the Company's Code of Conduct signed by Joint Managing Director forms part of this report as Annexure A.

Risk Assessment

The Board of Directors are responsible for framing, implementing and monitoring the risk management plan for the Company. The management has put in place the procedures to inform and update the Board about various risk identification, assessment and minimization procedures.

Induction and Familiarisation Programme for Independent Directors

Pursuant to Schedule IV of the Companies Act, 2013 and the SEBI LODR Regulations 2015, the Company has an Induction and Familiarization process for Independent Directors that includes background material, their roles, rights, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company.

The Directors are provided with all necessary documents, brochures, reports and internal policies and procedures to enable them to understand the working of the Company. They are also given periodic presentation in the Board and Committee meetings in order to provide details on the business and performance updates, Company's strategy and operating plans, key issues on corporate governance, code of business conduct, risk management issues, etc.

The details of the above discussed induction and familiarisation programme are disclosed on the Company's website and can be accessed at http://www.thephoenixmills.com/ThePhoenixMillsDirectorsFamiliarizationProgramforIndependentDirectors.pdf.

Board Committees

I Audit Committee

Constitution

The Company's Board has an Audit Committee consisting of qualified members. As on March 31, 2016, the Committee comprised of one Executive and two Independent Non-Executive Directors. All members of the Audit Committee have financial knowledge and expertise as mandated by Regulation 18 of the SEBI LODR Regulations 2015. Mr. Amit Kumar Dabriwala, Chairman of the Committee holds a bachelors' degree in Commerce from the Calcutta University and has expertise in accounting and financial management domain. The Company Secretary acts as the Secretary of the Committee.

Composition and Attendance

During the Financial Year 2015-16, four Audit Committee meetings were held i.e. on May 28, 2015, August 13, 2015, November 5, 2015 and February 10, 2016. The composition of the Audit Committee and the number of meetings attended by each member is as follows:

Committee Members	Category	No. of Meetings Attended (Total held)
Mr.Amit Kumar Dabriwala(Chairman)	Independent Director	4(4)
Mr. Atul Ruia	Joint Managing Director	4(4)
Mr. Shweta Vyas	Independent Director	4(4)

Attendees

The Audit Committee invites such executives, as and when it considers appropriate to be present at their meetings. The Director – Finance, the Internal Auditors and the Statutory Auditors also remain present as invitees for the meetings of Audit Committee.

Terms of Reference of the Audit Committee

The terms of reference of the Audit Committee are in accordance with all the items listed in Part C of Schedule II of SEBI LODR Regulations 2015 and Section 177 of the Companies Act, 2013 which are as follows:

i. Oversight of the Company's financial reporting process and the disclosure of its financial information, to ensure that the financial statements are true and accurate and provide sufficient information;

ii. Recommending to the Board, appointment, re-appointment and, if required, replacement or removal of the statutory auditor and fixation of their terms of appointment and remuneration;

iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors, if any;

iv. Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions;
- Modified opinion(s)in the draft audit report.

v. Reviewing, with the management, quarterly financial statements before submission to the Board for approval;

vi. Reviewing, with the management, performance of statutory and internal auditors, adequacy of internal control systems;

vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

viii. Approval or any subsequent modification of transactions of the Company with related parties;

ix. Scrutiny of inter-corporate loans and investments;

x. Valuation of undertakings or assets of the Company, wherever it is necessary;

xi. Monitoring the end use of funds raised through public offers and related matters, if any;

xii. Evaluation of internal financial controls and risk management systems;

xiii. Reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

xiv. Discussion with internal auditors with respect to the coverage and frequency of internal audits as per the annual audit plan, nature of significant findings and follow up thereof;

xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

xvi. Obtaining an update on the Risks Management Framework and the manner in which risks are being addressed;

xvii. Review all significant transactions and arrangements entered into by the unlisted subsidiary companies;

xviii. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

xix. Review the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any;

xx. To review the functioning of Whistle Blower mechanism;

xxi. Approve appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

xxii. Reviewing the Management Discussion and Analysis of financial condition and results of operations;

xxiii. Review the statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

xxiv. Review the financial statements, in particular, the investments made by unlisted subsidiaries;

xxv. Review the management letters/letters of internal control weaknesses issued by the statutory auditors;

xxvi. Review the appointment, removal and terms of remuneration of the Chief Internal Auditor;

xxvii. Review the internal audit report relating to internal control weaknesses;

xxviii. Review quarterly statement of deviations including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI LODR Regulations 2015.

xxix. Review annual statement of deviations of funds utilized for purposes other than those sated in the offer document/prospectus/ notice in terms of Regulation 32(7) of the SEBI LODR Regulations 2015.

xxx. Review, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

xxxi. Carry out such other responsibility as may be provided by the Companies Act, 2013 and the SEBI LODR Regulations 2015.

II Nomination and Remuneration Committee

Constitution

The Company's Board has constituted a Nomination and Remuneration Committee consisting of qualified members. As on March 31, 2016, the Committee comprises of three Non-Executive Independent Directors. Ms. Shweta Vyas, Non Executive Independent Director is the Chairman of the Committee. The Company Secretary acts as the Secretary of the Committee.

Composition and Attendance

During the Financial Year 2015-16, one meeting of the Nomination and Remuneration Committee was held on February 10, 2016.

The composition of the Nomination and Remuneration Committee and the number of meetings attended by each member is as follows:

Committee Members	Category	No. of Meetings Attended (Total held)
Mr. Shweta Vyas* (Chairman)	Independent Director	1(1)
Mr. Sivaramakrishnan Iyer	Independent Director	1(1)
Mr. Amit Kumar Dabriwala	Independent Director	1(1)

*Ms. Shweta Vyas was appointed as Chairman of the Committee w.e.f. February 10, 2016.

Terms of reference of Nomination and Remuneration Committee

The terms of reference of the Nomination and Remuneration Committee are in accordance with Part D of Schedule II of the SEBI LODR Regulations 2015 and Section 178 of the Companies Act, 2013 which are as follows:

i. Formulate the criteria for determining qualifications, positive attributes and independence of a director;

ii. Identify persons who are qualified to become directors and persons who may be appointed in key managerial and senior management positions in accordance with the criteria laid down in the policy;

iii. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel;

iv. Review and recommend the structure, size and composition of the Board and Board Committees;

v. Formulation of criteria for evaluation of performance of all the Directors including Independent Directors;

vi. To carry out evaluation of Director's performance and recommend to the Board appointment/removal based on his/her performance;

vii. Devising a policy on Board diversity;

viii. Recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees;

ix. Assist the Board in implementing corporate governance practices;

x. To develop a succession plan for the Board and to regularly review the plan;

xi. Whether to extend or continue the term of appointment of an Independent Director, on the basis of the report of performance evaluation of Independent Directors;

xii. To consider any other matters as may be requested by the Board.

Performance Evaluation of Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR Regulations 2015, the Board has adopted an Annual Performance Evaluation Policy which is available on the Company's website at http://www.thephoenixmills.com/PMLAnnualPerformanceEvaluationPolicy.pdf. In terms of the criteria specified in the Policy and as per the statutory provisions, the Independent Directors had a separate meeting on February 10, 2016 without the presence of the management in which they discussed and evaluated the performance of the Chairman, Executive Directors and KMPs and the Board as a whole through evaluation feedback forms. The Nomination and Remuneration Committee in its meeting held on February 10, 2016 also evaluated the performance of the Individual Directors including the Independent Directors and the Board as a whole. On the basis of the feedback and report of the Independent Directors and the Nomination and Remuneration Committee, the Board in its meeting held on May 13, 2016 has also evaluated the performance of individual directors, Board Committees and the Board and has noted its satisfaction on the outcome.

Nomination and Remuneration Policy

The Nomination and Remuneration Committee of the Board of Directors of the Company has formulated a policy which is appended as Annexure III in the Directors Report for determining qualifications, positive attributes and independence of a director and other related matters provided under sub section (3) and (4) of Section 178 of the Companies Act, 2013.

The Company hereby affirms that the remuneration paid to the Directors is as per the terms laid in the duly approved and adopted Nomination and Remuneration Policy of the Company.

Details of remuneration to directors during FY 2015-16:

Non-Executive Directors

Non-Executive Directors are eligible for sitting fees and commission which cannot exceed the limit prescribed in the Companies Act, 2013. The remuneration payable to Non-Executive Directors is decided by the Independent Directors' Remuneration Committee of the Board of Directors subject to the approval of members of the Company. Further, the Board at its meeting held on May 28, 2015 has increased the amount of sitting fees payable to the Independent Directors for attending each meeting of the Board and Audit Committee from ₹ 20,000/- to ₹ 30,000/- and from ₹ 10,000/- to ₹ 15,000/- respectively w.e.f. May 28, 2015. Pursuant to the approval of the shareholders in the AGM held on September 9, 2015, the Independent Directors' Remuneration Committee of the Board of Directors determines the quantum of commission payable to the Independent Directors and makes suitable recommendation to the Board in this regard. The Committee has accordingly, recommended that a sum of ₹ 12,50,000/- be distributed equally among the five Independent Directors who have served on the Company's Board during the Financial Year 2015-16. As per provisions of the Companies Act 2013 and SEBI LODR Regulations 2015, Independent Directors are not entitled to any stock options. Except as disclosed, there are no pecuniary relationships or transactions between the non-executive directors and the Company during the last Financial Year 2015-16.

Details of sitting fees and commission paid to Non-Executive Independent Directors during the Financial Year 2015-16 are as under:

Name of the Director	Sitting Fees paid (₹)		*Commission to be paid (₹)
	Board Meeting	Audit Committee	
Mr. Amit Kumar Dabriwala	1,40,000	55,000	3,25,000
Mr. Amit Dalal	1,20,000	NA	3,25,000
Mr. Sivaramakrishnan Iyer	1,20,000	NA	3,25,000
Mr. Suhail Nathani	70,000	NA	3,25,000
Ms. Shweta Vyas	1,30,000	55,000	3,25,000
Total	5,80,000	1,10,000	16,25,000

*Commission will be paid to the Independent Directors after adoption of accounts for the Financial Year ended March 31, 2016 by the shareholders in the ensuing Annual General Meeting.

Executive Directors:

The appointment of Executive Directors is governed by resolutions passed by the Board of Directors and shareholders of the Company, which cover the terms of such appointment and are implemented in conjunction with the service rules of the Company. Remuneration paid to the Executive Directors i.e. Mr. Ashokkumar Ruia and Mr. Atul Ruia, which is recommended by the Nomination and Remuneration Committee and approved by the Board, is within the respective limits approved by the shareholders through Postal Ballot on May 25, 2015. Mr. Shishir Shrivastava, Joint Managing Director and Mr. Pradumna Kanodia, Director Finance do not draw any remuneration from the Company.

Details of remuneration paid by the Company to Executive Directors during the Financial Year ended March 31, 2016 are given below:

Name of the Director	Designation	Salary (₹)	Contribution to PF (₹)	Pension (₹)	Perquisites & Allowances (₹)	Commission Payable	Performanced Link Incentive	Bonus/ Incentive	Total (₹)	Stock Options Granted
Mr. Ashokkumar Ruia	Chairman & Managing Director	65,63,220	Nil	Nil	Nil	Nil	Nil	Nil	65,63,220	Nil
Mr. Atul Ruia	Jt. Managing Director	65,63,220	Nil	Nil	Nil	Nil	Nil	Nil	65,63,220	Nil

Note:

Severance fees and notice period is not applicable to the executive directors.

Details of Stock Options granted to the Executive Directors

Pursuant to The Phoenix Mills Employees Stock Option Plan 2007, Mr. Pradumna Kanodia, Director - Finance has been granted 1,05,556 stock options on March 26, 2015 at a discount of 10% to the market price of ₹ 352 i.e at a price of ₹ 316.80 per share. The options will vest over a period of 5 years from the date of grant as under:

Sr. No.	Vesting date	% of Options that shall Vest	Maximum number of Options that shall Vest
1	12 months from the Grant Date	10%	10,556
2	24 months from the Grant Date	15%	15,833
3	36 months from the Grant Date	20%	21,111
4	48 months from the Grant Date	25%	26,389
5	60 months from the Grant Date	30%	31,667
	Total	**100%**	**1,05,556**

No other director has been granted any stock options during the Financial Year 2015-16

III Stakeholders' Relationship Committee

Constitution

The Stakeholders' Relationship Committee of the Company has been constituted for redressal and satisfaction of investors' grievances and approval of requests for transfer and transmission of shares, transposition and deletion of name in the Register of Members, addressing to the complaints of shareholders including, non-receipt of declared dividends, non-receipt of Annual Report, revalidation of dividend warrants, approval of requests for change of address, consolidation and split of shares, etc. The Stakeholders' Relationship Committee meets as often as required.

The Stakeholders' Relationship Committee comprises of three directors of whom one is Independent Director. Mr. Amit Kumar Dabriwala, Independent Director chairs the Stakeholders' Relationship Committee meetings.

The Company Secretary acts as the Secretary to the Committee.

Composition and Attendance

During the Financial Year 2015-16, ten meetings of Stakeholders' Relationship Committee were held i.e. on April 1, 2015, April 17, 2015, May 28, 2015, June 22, 2015, July 29, 2015, August 11, 2015, September 3, 2015, September 29, 2015, January 15, 2016 and February 17, 2016.

The present composition of the Stakeholders' Relationship Committee and the number of meetings attended by the Committee members are as under:

Committee Members	Category	No. of Meetings Attended (Total held)
Mr. Amit Kumar Dabriwala (Chairman)	Independent Director	10(10)
Mr. Ashokkumar Ruia	Chairman and Managing Director	10(10)
Mr. Atul Ruia	Joint Managing Director	10(10)

Compliance Officer

Ms. Puja Tandon, Company Secretary, acts as the Company's Compliance Officer and is responsible for complying with the requirements of the SEBI LODR Regulations 2015. Mr. Pradumna Kanodia, Director-Finance has been appointed as the Compliance Officer to ensure compliances with the Company's Code of Conduct for Regulating & Reporting Trading by Insiders 2015 adopted as per SEBI (Prohibition of Insider Trading) Regulations, 2015.

Investor Complaints

During the Financial Year 2015-16, the Company has received following 42 complaints from shareholders/investors. There were no complaints pending as at the end of the year.

Nature of Complaints	Received	Resolved	Closing
Non Receipt of Share Certificate(s)	1	1	0
Non Receipt of Dividend	8	8	0
Non Receipt of Annual Report	33	33	0
Total	**42**	**42**	**0**

Share Transfers in Physical Mode

Shares received for physical transfer are generally registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects.

IV Corporate Social Responsibility Committee

Constitution

In accordance with Section 135 of the Companies Act, 2013, the Board of Directors of the Company have formed a Corporate Social Responsibility Committee. The Committee has framed a Corporate Social Responsibility policy, the purpose of which is to articulate what CSR means to the Company, kind of projects to be undertaken, identifying broad areas of intervention, approach to be adopted to achieve the CSR goals and monitoring mechanism.

The framework enables to put in place, policies and practices in line with this Policy. The CSR Policy is an attempt to showcase the linkage of our social objectives with business strategy. The CSR Committee comprises of three directors of whom one is Independent Director. Mr. Ashokkumar Ruia, Chairman and Managing Director is the Chairman of the CSR Committee. The Company Secretary acts as the Secretary to the Committee.

Composition and Attendance

During the Financial Year 2015-2016, two meetings of Corporate Social Responsibility Committee were held on May 28, 2015 and August 13, 2015.

The present composition of the Corporate Social Responsibility Committee and the number of meetings attended by the Committee Members are as under:

Committee Members	Category	No. of Meetings Attended (Total held)
Mr. Ashokkumar Ruia (Chairman)	Chairman and Managing Director	2(2)
Mr. Atul Ruia	Joint Managing Director	2(2)
Ms. Shweta Vyas	Independent Director	2(2)

The Company's Corporate Social Responsibility Policy is disclosed on the Company's website and can be accessed at http://www.thephoenixmills.com/CSRPolicy.pdf.

V Compensation Committee

Constitution

The Compensation Committee of the Board has been constituted in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, to formulate and monitor ESOP plans, decide on future grants, allot shares upon exercise of options and to do all such acts relating to stock options. As on March 31, 2016, the Committee comprises of four directors of whom three are Independent Directors. Mr. Sivaramakrishnan Iyer, Independent Director is the Chairman of the Compensation Committee. The Company Secretary acts as the Secretary to the Committee.

Composition and Attendance

During the Financial Year 2015-16, two meetings of the Compensation Committee were held on May 21, 2015 and June 5, 2015.

The present composition of the Compensation Committee and the number of meetings attended by the Committee Members are as under:

Committee Members	Category	No. of Meetings Attended (Total held)
Mr. Sivaramakrishnan Iyer (Chairman)	Independent Director	2(2)
Mr. Atul Ruia	Joint Managing Director	2(2)
Mr. Amit Kumar Dabriwala*	Independent Director	NA
Ms. Shweta Vyas**	Independent Director	NA
Mr. Suhail Nathani***	Independent Director	2(2)

*Mr. Amit Kumar Dabriwala was appointed as a member of the Committee w.e.f. February 10, 2016
**Ms. Shweta Vyas was appointed as a member of the Committee w.e.f. February 10, 2016
***Mr. Suhail Nathani resigned as director from the Company's Board and ceased to be a member of the committee w.e.f. February 1, 2016

VI Finance and Investment Committee

Constitution

The Finance and Investment Committee of the Company has been constituted to make investments in its subsidiary companies, place inter corporate deposits and advance loans to its subsidiaries or other bodies corporate, borrow or raise finance from various banks, financial institutions etc. from time to time. The Finance and Investment Committee meets as often as required. The Committee comprises of three directors, all of whom are Executive Directors. The Company Secretary acts as the Secretary of the Committee.

Composition and Attendance

During the Financial Year 2015-16, ten meetings of the Finance and Investment Committee were held on April 1, 2015, June 5, 2015, July 2, 2015, August 3, 2015, August 17, 2015, September 23, 2015, October 6, 2015, December 15, 2015, February 10, 2016 and March 9, 2016.

The present composition of the Finance and Investment Committee and the number of meetings attended by the Committee Members are as under:

Committee Members	Category	No. of Meetings Attended (Total held)
Mr. Atul Ruia	Joint Managing Director	10(10)
Mr. Shishir Shrivastava	Joint Managing Director	10(10)
Mr. Pradumna Kanodia	Director – Finance	10(10)

Company Policies

I. Policy on Related Party Transactions

In compliance with the requirements of Section 188 of the Companies Act 2013 and Rules made thereunder and Regulation 23 of the SEBI LODR Regulations 2015, the Board of Directors of the Company has adopted policy and procedures with regard to Related Party Transactions in order to ensure transparency and procedural fairness of such transactions.

This policy is to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations. The Policy intends to ensure proper approval and reporting of transactions as applicable, between the Company and its related parties in the best interest of the Company and its stakeholders.

Provisions of this policy are designed to govern the transparency of approval process and disclosures requirements to ensure fairness in the conduct of related party transactions, in terms of the applicable laws.

The Company's Policy on Related Party Transaction is uploaded for viewing on its website and can be accessed at http://www.thephoenixmills.com/RelatedPartyTransactionPolicy.pdf.

II. Policy on Material Subsidiaries

In line with the requirements of the SEBI LODR Regulations 2015, the Board of Directors of the Company has adopted the policy on material subsidiaries which sets out the criteria to identify material subsidiaries of the Company and define processes and procedures for any transactions with it.

The Company's Policy on Material Subsidiaries is disclosed on its website and can be accessed at http://www.thephoenixmills.com/MaterialSubsidiariespolicy.pdf.

III. Policy on Whistle Blower/Vigil Mechanism

The "Vigil Mechanism Policy" or the "Whistleblower Policy" in line with Section 177(9) & (10) of the Companies Act, 2013 read with Rules made thereunder and Regulation 22 of the SEBI LODR Regulations 2015 is framed and implemented with a view to provide a mechanism for employees and directors of the Company to raise concerns on any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. and instances of unethical behaviour, actual or suspected or violation of the Company's code of conduct.

The Whistleblower Policy allows the employees to raise concerns about unacceptable, improper or unethical practices being followed in the organization, without necessarily informing their superior. The Policy ensures that the employees are protected against victimization/ any adverse action and/or discrimination as a result of such a reporting, provided it is justified and made in good faith. No personnel have been denied access to the Chairman of the Audit Committee.

The Company's Policy on Whistle Blower/Vigil Mechanism is disclosed on its website and can be accessed at http://www.thephoenixmills.com/PMLWhistleblowerPolicy.pdf.

IV. Policy on Annual Performance Evaluation

In order to meet the expectations of all the stakeholders at large, the Board of Directors of the Phoenix Mills Limited have devised a policy for evaluation of the performance of the individual members of the Company's Board as well as the Board Committees and the Board as a whole, which can contribute significantly to improve performance at three levels: the organizational, Board and individual Director level. It also helps in increased accountability, better decision making, enhanced communication and more efficient board operations.

Material Subsidiary Companies

As per Regulation 16(1)(c) of the SEBI LODR Regulations 2015, no subsidiary qualifies to be a material non-listed Indian subsidiary of the Company for the Financial Year 2015-16.

General Body Meetings

I. Annual General Meetings

i. Location, time and date of the last three Annual General Meetings (AGMs) are given below:

Financial Year	Date	Time	Location of the Meeting
2014-15	09.09.2015	3:30 P.M.	Indian Merchants' Chamber, 4th floor, Walchand Hirachand Hall, Churchgate, Mumbai – 400 020
2013-14	26.08.2014		
2012-13	21.08.2013		

ii. Special Resolutions passed during previous three Annual General Meetings:

Financial Year	Particulars of Special Resolutions Passed
2014-15	None
2013-14	(1) Power to Borrow monies in excess of paid up capital and free reserves of the Company in terms of section 180(1)(c) of the Companies Act, 2013 (2) Power to create security in excess of paid up capital and free reserves of the Company in terms of section 180(1)(a) of the Companies Act, 2013
2012-13	To raise funds to a maximum extent of ₹1000 Crores

iii. No special resolution is proposed to be passed at the ensuing AGM

II. Extra-Ordinary General Meeting

i. During the year under review, no Extra-ordinary General Meeting was held.

ii. There were no resolutions passed by the Company through postal ballot during the Financial Year 2015-16 post the date of the last Directors' Report. Detailed process for Postal Ballot Notice dated April 16, 2015 and May 11, 2015 have been disclosed in the last year's Corporate Governance Report dated June 20, 2015 and accordingly not being provided in this report. As on the date of this report the Company does not propose to pass any resolution by way of postal ballot.

Means of Communication

I. The Company regularly publishes its quarterly and annual results in "Business Standard" (English daily) and "Mumbai Lakshadweep" (Marathi daily) and simultaneously posts them on the Company's corporate website (http://www.thephoenixmills.com/). In addition, the quarterly shareholding patterns, Annual Reports, Board meeting notices, press releases and other shareholder communications are also regularly posted on the corporate website of the Company.

II. The quarterly results are submitted to the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) immediately after conclusion of respective board meetings at which the same are taken on record and approved by the Board of Directors of the Company.

III. Quarterly presentations made to institutional investors or to analysts during the year under review were promptly uploaded on the website of the Company.

IV. The Management Discussion and Analysis Report forms part of this Annual Report.

CEO/CFO Certification

In terms of the requirement of Regulation 17(8) of the SEBI LODR Regulations 2015, the Joint Managing Director and Director - Finance have submitted a certificate to the Board of Directors in the prescribed format for the year under review which is attached as Annexure B to this report.

General Shareholder Information

I	**Annual General Meeting**		
	Day, Date and Time	:	Thursday, September 8, 2016 at 3:30 P.M.
	Venue	:	Indian Merchants' Chamber, 4th Floor, Walchand Hirachand Hall, Churchgate, Mumbai - 400 020
II.	**Financial Year**	:	The Company follows April-March as its Financial Year.
III.	**Unaudited financial reporting for the quarter ending (tentative);**		
	June 30, 2016	:	On or before 14th August, 2016
	September 30, 2016	:	On or before 14th November, 2016
	December 30, 2016	:	On or before 14th February, 2017
	March 31, 2017	:	On or before 30th May, 2017

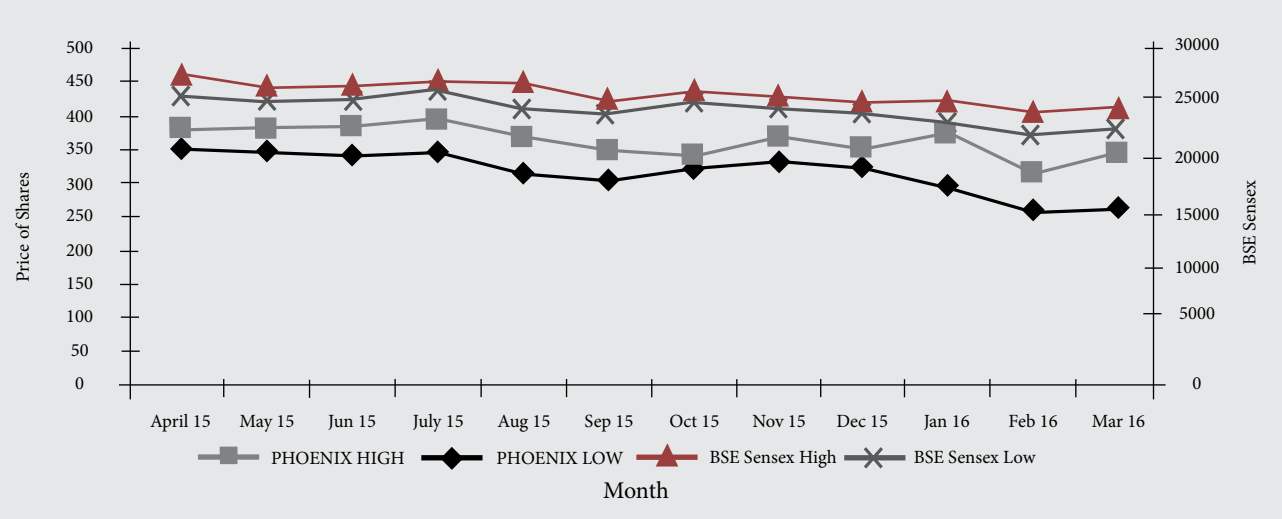
	AGM for the Financial Year ending March 31, 2017	:	On or before 30th September, 2017
IV.	**Book Closure**	:	September 2, 2016 to September 8, 2016 (both days inclusive)
V.	**Dividend**		₹ 0.45 per Equity Share of ₹ 2 each (22.5% of the face value of the Equity Shares)
VI	**Dividend Payment**	:	The Dividend, if declared, by the shareholders at the AGM shall be paid/credited on or before October 8, 2016.
VII.	**Listing on Stock Exchanges**	:	The Company's securities are listed on the following Stock Exchanges: **BSE Ltd.** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 **National Stock Exchange of India Ltd.** Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 The Company has already paid the annual listing fees for the Financial Year 2016-17 to the Stock Exchanges (BSE and NSE) as well as custodial fees to the depositories within the prescribed time.
VIII	**Traded Securities**		The securities of the Company have not been suspended from trading from any of the aforesaid stock exchanges during the Financial Year 2015-16
IX.	**Scrip Code/Symbol**	:	BSE: 503100 NSE : PHOENIXLTD Traded on the BSE Ltd. and National Stock Exchange of India Ltd.
X.	**Corporate Identification Number (CIN)**	:	L17100MH1905PLC000200
XI.	**Plant Locations**		The Company does not carry any manufacturing activity and hence does not have any plant locations.

Performance in comparison with BSE Sensex and NSE Nifty

The monthly high and low quotations of shares traded on the BSE Limited and National Stock Exchange of India Limited along with the volumes is as follows:

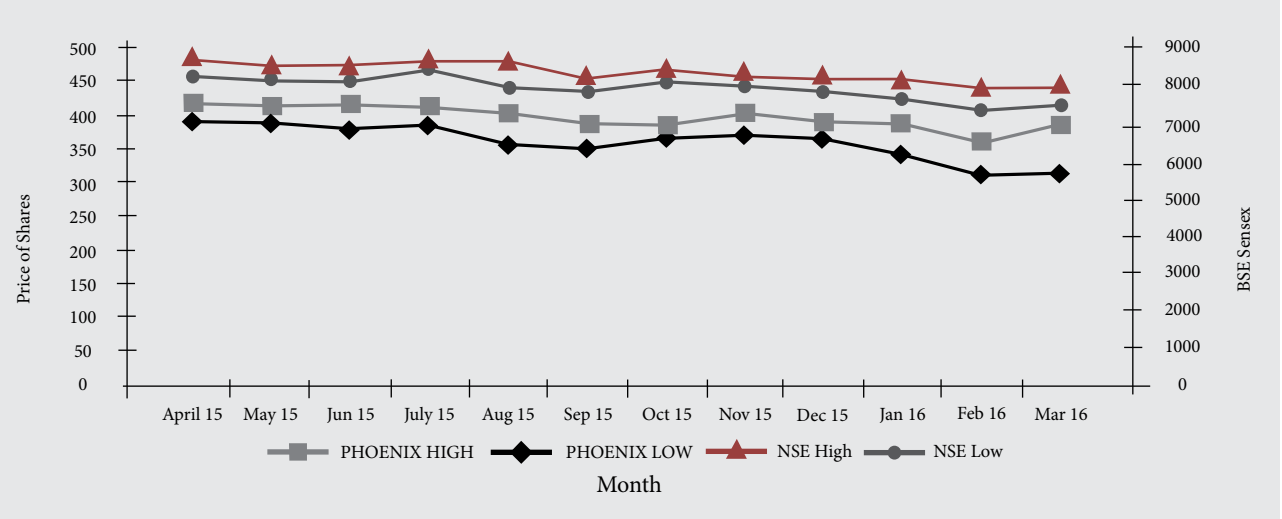
Month	Phoenix Mills on BSE		S & P BSE SENSEX		Volume
	High	Low	High	Low	(₹)
Apr-15	387.40	352.15	29094.61	26897.54	16,389,925
May-15	386.00	347.00	28071.16	26423.99	9,163,088
Jun-15	389.00	340.00	27968.75	26307.07	22,575,712
Jul-15	404.05	346.50	28578.33	27416.39	107,356,907
Aug-15	369.90	305.70	28417.59	25298.42	12,905,269
Sep-15	348.40	296.35	26471.82	24833.54	8,723,926
Oct-15	340.00	315.10	27618.14	26168.71	464,202,913
Nov-15	372.00	325.60	26824.30	25451.42	28,196,209
Dec-15	353.00	318.00	26256.42	24867.73	4,762,184
Jan-16	380.00	282.00	26197.27	23839.76	8,990,765
Feb-16	307.90	238.30	25002.32	22494.61	5,706,404
Mar-16	344.90	245.10	25479.62	23133.18	5,530,621

Monthly High - Low Share Price / BSE Sensex



Month	Phoenix Mills on NSE		NIFTY		Volume
	High	Low	High	Low	(₹)
Apr-15	388.45	352.05	8844.80	8144.75	2,329.81
May-15	386.35	346.60	8489.55	7997.15	4,261.92
Jun-15	390.00	337.10	8467.15	7940.30	3,977.28
Jul-15	385.95	344.00	8654.75	8315.40	5,647.54
Aug-15	368.00	304.60	8621.55	7667.25	2,421.59
Sep-15	350.00	296.50	8055.00	7539.50	2,864.06
Oct-15	344.95	317.10	8336.30	7930.65	3,231.17
Nov-15	373.00	325.00	8116.10	7714.15	3,247.06
Dec-15	353.00	315.05	7979.30	7551.05	606.08
Jan-16	350.00	281.00	7972.55	7241.50	2,521.31
Feb-16	309.90	239.05	7600.45	6825.80	5,781.73
Mar-16	346.95	240.00	7777.60	7035.10	2,238.47

Monthly High - Low Share Price / NSE Nifty



Share Transfer System:

The Registrars and Share Transfer Agent of the Company receives applications for transfer of shares held in physical form. They attend to share transfer formalities every fortnight.

Shares held in the dematerialized form are electronically traded in the Depository and the Registrars and Share Transfer Agent of the Company periodically receives the beneficiary holdings from the Depository, so as to enable them to update their records for sending all corporate communications, dividend warrants, etc. Physical shares received for dematerialization are processed and completed within a period of 21 days from the date of receipt, provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participants under advice to the shareholders.

Category wise Shareholding as at March 31, 2016:

Sr. No.	Category	No. of Shares held	%
1.	Promoter and Promoter Group	9,62,10,882	62.89
2.	Foreign Institutional Investors	2,51,73,638	16.45
3.	Foreign Portfolio Investor (Corporate)	1,96,80,028	12.86
4.	Mutual Funds/UTI	48,60,049	3.18
5.	Indian Public	35,00,335	2.29
6.	Private Bodies Corporate	24,57,294	1.60
7.	Foreign Venture Capital Investors	7,50,000	0.49
8.	Non-Residents	2,86,564	0.19
9.	Others (Clearing Members, HUF & Trusts)	68,305	0.05
10.	Banks/Financial Institutions	1,757	0.00
Total		**15,29,88,852**	**100.00**

Distribution of Shareholding as at March 31, 2016:

No. of Equity Shares	No. of Shareholders	%of Total	No. of Shares	% of Total
1-500	5228	83.61	5,87,587	0.38
501 - 1000	351	5.61	2,88,730	0.19
1001 - 2000	251	4.01	3,63,440	0.24
2001 - 3000	102	1.63	2,58,508	0.17
3001 - 4000	50	0.80	1,81,792	0.12
4001 – 5000	32	0.51	1,44,751	0.09
5001 – 10000	62	1.0	4,55,591	0.30
10001 and above	177	2.83	15,07,08,453	98.51
Total	**6253**	**100.00**	**15,29,88,852**	**100.00**

Dematerialization of Shares and Liquidity:

About 99.66 % of the shares have been dematerialized as on March 31, 2016. The International Security Identification Number (ISIN) allotted to the Company's equity shares is INE211B01039.

The Company has not issued any GDRs/ADRs. There were no outstanding convertible warrants as on March 31, 2016.

Disclosure under Part F of Schedule V of the SEBI LODR Regulations 2015 in respect of unclaimed shares:

In compliance with Regulation 39(4) read with Schedule VI of the SEBI LODR Regulations 2015, the Company has opened a demat suspense account in the name of 'The Phoenix Mills Limited - Unclaimed Suspense Account' to which unclaimed shares have been transferred. Voting rights on these shares have been frozen till the rightful owner of such shares claims the shares.

The details of unclaimed shares as on March 31, 2016 are as follows:

Particulars	No. of shareholders	No. of equity shares
Unclaimed shares as on April 1, 2015	1499	1,760,750
Details of shareholders who approached the Company for unclaimed shares during the Financial Year 2015-16	23	42,950
No. of shares claimed during the Financial Year 2015-16	23	42,950
Unclaimed shares as on March 31, 2016	1476	1,717,800

Status of Dividend declared in the last five years

Status of the dividend declared by the Company for the last five years is as under:

(Amount in ₹)

Financial Year	Rate of Dividend	Total pay-out	Amount paid to the shareholders	Amount unpaid to the shareholders as on March 31, 2016
Interim Dividend 2015-16	87.5%	26,77,30,491.00	26,39,49,906.50	37,80,584.50
2014-15	110%	33,65,75,474.40	33,33,87,630.40	31,87,844.00
2013-14	110%	31,86,59,979.00	31,58,00,515.80	28,59,463.20
2012-13	110%	31,86,59,979.00	31,58,47,290.00	28,12,689.00
2011-12	100%	28,96,90,890.00	28,71,09,732.00	25,81,158.00
2010-11	90%	26,07,21,801.00	25,83,47,755.80	23,74,045.20

Shares held in Physical Form

Please note that in terms of SEBI Circulars No. MRD/DoP/Cir-05/2009 dated May 20, 2009 and No. SEBI/MRD/DoP/SE/RTA/Cir-03/2010 dated January 7, 2010, it is mandatory for the shareholders holding shares in physical form to submit self-attested copy of PAN card in the following cases:

- Transferees' PAN Cards for transfer of shares;
- Surviving joint holders' PAN Cards for deletion of name of deceased shareholder;
- Legal heirs' PAN Cards for transmission of shares;
- Joint holders' PAN Cards for transposition of shares.

In compliance with the aforesaid circulars, requests without attaching copies of PAN card, for transfer/deletion/transmission and transposition of shares of the Company in physical form will be returned under objection.

Shares held in Electronic Form

Shareholders holding shares in electronic form may please note that:

- Instructions regarding bank details which they wish to have incorporated in future dividend warrants must be submitted to the Depository Participants (DP). As per the regulations of NSDL and CDSL, the Company is obliged to print bank details on the dividend warrants, as furnished by these depositories to the Company.
- Instructions already given by them for shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form.
- Instructions regarding change of address, nomination and power of attorney should be given directly to the DP.

Other Disclosures

Disclosure on Materially Significant Related Party Transactions

Required statements/disclosures, with respect to the related party transactions, are placed before the Audit Committee on a quarterly basis in terms of Regulation 23 of the SEBI LODR Regulations 2015 and other applicable laws for approval/information. None of the transactions with any of the related parties were in conflict with the interests of the Company. Attention of members is drawn to the disclosure of transactions with the related parties set out in the Notes to Accounts in the financial statements for the Financial Year ended March 31, 2016.

Details of Non-compliance with regard to the Capital Market

The Company has complied with the requirements of regulatory authorities on Capital Markets and no penalty/stricture was imposed on the Company during the last three years.

Compliance with the mandatory requirements of the SEBI LODR Regulations 2015

The Company has complied with all the mandatory requirements of Corporate Governance as provided in the erstwhile Listing Agreement (applicable upto November 30, 2015) and the SEBI LODR Regulations 2015 (applicable w.e.f. December 1, 2015). The Company has also obtained a certificate from M/s. Rathi & Associates, Practicing Company Secretaries affirming the compliances which is enclosed with the Directors' Report.

Disclosure on Commodity Price Risk and Commodity Hedging

Since the Company is not engaged in the field of manufacturing goods, disclosures on commodity price risk, foreign exchange risk and commodity hedging activity are not applicable to the Company.

Compliance with the Non-Mandatory Requirements

As per Regulation 27(1) read with Part E of Schedule II to the SEBI LODR Regulations 2015, the Company has complied with the non-mandatory requirements as under:

A. The Board

Mr. Ashokkumar Ruia is the Executive Chairman of the Company. Hence this provision is not applicable to the Company

B. Shareholders' Rights

Since the quarterly and annual results are published in English and regional language newspapers and displayed on Company's website as well, half yearly financial results including summary of significant events in the past six months are presently not being sent to the Shareholders.

C. Audit Qualifications

The financial statements of the Company for the Financial Year ended March 31, 2016 are unqualified.

D. Separate Posts of Chairman and CEO

The positions of Chairman and CEO are separate. Mr. Ashokkumar Ruia performs the role of the Chairman and Mr. Atul Ruia performs the role of the CEO.

E. Reporting of Internal Auditor

The Internal Auditors directly report to the Audit Committee of the Company's Board of Directors.

Communication Address

I. Address for shares related correspondence

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares:

Registrar & Share Transfer Agent
Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup (West)
Mumbai - 400 078
Tel. No.: 022-25963838
Fax No.: 022-25946969
Email: mumbai@linkintime.co.in

II. Address for general correspondence

Mr. Mangesh Satvilkar
Investor Relations Officer
The Phoenix Mills Limited
462, Senapati Bapat Marg
Lower Parel, Mumbai - 400 013
Tel No.: 022-30016600
Fax No.: 022- 30016818
Email: investorrelations@highstreetphoenix.com

Place: Mumbai
Date: May 13, 2016

Ashokkumar Ruia
Chairman & Managing Director
DIN: 00086762

Annexure A

Code Of Conduct Declaration

[Pursuant to Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

This is to certify that The Phoenix Mills Limited ('the Company') has laid down a Code of Conduct (the Code) for all Board Members and Senior Management Personnel of the Company and a copy of the Code is put on the Company's corporate website (http://www.thephoenixmills.com).

It is further certified that all the Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code for the Financial Year ended March 31, 2016.

Place: Mumbai
Date: May 13, 2016

Shishir Shrivastava
Joint Managing Director
DIN: 01266095

Annexure B

Certification issued by CEO/CFO with respect to the Financial Statements for the Financial Year ended March 31, 2016.

We, Mr. Atul Ruia, Joint Managing Director and Mr. Pradumna Kanodia, Director - Finance & Group Chief Financial Officer of The Phoenix Mills Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the Audited Financial Statements of the Company for the Financial Year ended March 31, 2016 along with the Audit Report from the Statutory Auditors, M/s. A.M. Ghelani & Company and M/s. Chaturvedi & Shah, Chartered Accountants and all the schedules and notes thereon, as well as the cash flow statements;
2. Based on our knowledge and information, these statements do not contain any materially untrue statement or omit to state a material fact necessary in light of the circumstances under which such statements were made, or contain statements that might be misleading;
3. Based on our knowledge and information, the financial statements and other financial information included in this report, presents in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operation and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and/or applicable laws and regulations.
4. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
5. We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have also disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and what we have done or propose to do to rectify these deficiencies.
6. We have disclosed based on recent evaluation, wherever applicable, to the Company's auditors and the audit committee instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee who has a significant role in the Company's internal control system over financial reporting;
7. We have indicated to the Auditors and the Audit Committee about significant changes, if any, in internal control over financial reporting during the Financial Year 2015-16;
8. We have indicated to the Auditors and the Audit Committee about significant changes in the accounting policies during the period, if any, and the same has been disclosed in the notes to the financial statements;
9. We further declare that all board members and senior managerial personnel have affirmed compliance with the code of conduct for the Financial Year 2015-16.

Atul Ruia
Joint Managing Director
DIN: 00087396

Pradumna Kanodia
Director – Finance & Group CFO
DIN: 01602690

Place: Mumbai
Date: May 13, 2016

BAR BAR at Phoenix MarketCity, Pune

05

Financials

Independent Auditor's Report

To the Members of
The Phoenix Mills Limited
Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **The Phoenix Mills Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these standalone financial statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Matter of Emphasis
We draw attention to Note no. 36 of the accompanying statement relating to the company's investment in the equity shares of Entertainment World Developers Limited (EWDL) and the pending realization from EWDL against the put option exercised on Fully Convertible Debentures (FCDs) of Treasure World Developers Private Limited (TWDPL). The net worth of EWDL/ TWDPL has been eroded as per the latest unaudited accounts as at 31st March, 2014. For the reason stated in the aforesaid note, Board has estimated and made provision for impairment of the investment and amount due on the put option on FCD's of ₹ 10,525,00,000 (including ₹ 2,100,00,000 for the current year) as at 31st March 2016, which is considered adequate.

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

d) In our opinion, the aforesaid standalone 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 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

   i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27 (b) to (f) to the financial statements.

   ii) The Company did not have any material foreseeable losses on long-term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.

   iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

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

Chintan A. Ghelani
Partner
Membership No.: 104391

Jignesh Mehta
Partner
Membership No.: 102749

Place: Mumbai
Date: 13th May, 2016

Place: Mumbai
Date: 13th May, 2016

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

(i) In respect of its fixed assets :

a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

c) In our opinion and according to the information and explanations given to us, title deeds of immovable properties are held in the name of the company.

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

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

(iv) In respect of loans, investments, guarantees and security, the Company has complied with the provisions of section 185 and 186 of the Act.

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

(vi) To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company.

(vii) In respect of Statutory dues :

a) According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2016 for a period of more than six months from the date they became payable.

b) According to the records of the Company and the information and explanations given to us, the disputed dues on account of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess amounting to ₹ 333,096,927/- that have not been deposited before appropriate authorities are as under :

Name of Statute	Note of Dues	Amount in Rupees	Period to which the amount relates	Forum where dispute is pending
Income Tax 1961	Income Tax	223,616,564	A.Y 2010-11 to A.Y 2013-14	CIT (Appeals)
Income Tax 1961	Income Tax	89,172,431	A.Y 2004-05 to A.Y 2010-11	ITAT
Service Tax (Finance Act 1994)	Service Tax	20,307,932	F.Y 2006-07	CESTAT
	Total	**333,096,927**		

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution or bank or to government and dues to debenture holders of the company.

(ix) Accordingly to information and explanation given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and in case of terms loans raised by the company has been applied for the purposes for which those are raised.

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

(xi) In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

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

(xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and

their details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiv) In our opinion and according to the information and explanations given to us, the company has made qualified institutional placement of equity shares during the year under review. The Company has complied with requirements of section 42 of the Act and amount raised have been used for the purpose for which funds were raised.

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

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

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

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

Chintan A. Ghelani
Partner
Membership No.: 104391

Jignesh Mehta
Partner
Membership No.: 102749

Place: Mumbai
Date: 13th May, 2016

Place: Mumbai
Date: 13th May, 2016

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

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

We have audited the Internal Financial Control over financial reporting of The Phoenix Mills Limited ("the company") as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year then ended.

Management Responsibility for the Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

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

Chintan A. Ghelani
Partner
Membership No.: 104391

Jignesh Mehta
Partner
Membership No.: 102749

Place: Mumbai
Date: 13th May, 2016

Place: Mumbai
Date: 13th May, 2016

Balance Sheet
as at 31st March, 2016

	Notes		As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
EQUITY AND LIABILITIES				
SHAREHOLDERS' FUNDS				
Share Capital	2	**305,977,704**		289,913,390
Reserves & Surplus	3	**22,628,118,722**		18,799,843,361
			22,934,096,426	19,089,756,751
NON-CURRENT LIABILITIES				
Long Term Borrowings	4	**5,235,459,996**		5,318,999,996
Other Long Term Liabilities	5	**1,105,502,965**		979,216,597
Long-Term Provisions	6	**4,720,041**		5,282,472
			6,345,683,002	6,303,499,065
CURRENT LIABILITIES				
Short Term Borrowings	7	**2,446,445,516**		788,249,934
Trade Payables	8			
Small and Medium Enterprise				
Others		**145,529,570**		82,173,881
Other Current Liabilities	9	**1,317,636,122**		1,199,196,550
Short Term Provisions	6	**85,656,972**		388,141,913
			3,995,268,180	2,457,762,279
Total			**33,275,047,608**	27,851,018,094
ASSETS				
NON-CURRENT ASSETS				
Fixed Assets				
Tangible Assets	10	**4,424,198,218**		4,558,114,361
Intangible Assets		**90,390**		112,988
Capital Work-in-Progress		**1,504,081,221**		1,357,215,979
Non-Current Investments	11	**16,571,737,549**		12,314,952,742
Deferred Tax Assets (Net)	26	**41,756,860**		21,442,316
Long-Term Loans and Advances	12	**6,205,777,484**		6,004,700,467
Other Non-Current Assets	13	**318,854,417**		318,854,417
			29,066,496,139	24,575,393,270
CURRENT ASSETS				
Trade Receivables	14	**254,746,552**		219,287,487
Cash and Cash Equivalents	15	**712,709,596**		204,319,316
Short Term Loans and Advances	12	**3,092,171,955**		2,696,648,568
Other Current Assets	13	**148,923,366**		155,369,451
			4,208,551,469	3,275,624,823
Total			**33,275,047,608**	27,851,018,094
Significant Accounting Policies and Notes on Financial Statements	1 to 44			

As per our report of even date

For A.M.Ghelani & Company
Chartered Accountants
FRN : 103173W

Chintan A. Ghelani
Partner
M. No.:104391

For Chaturvedi & Shah
Chartered Accountants
FRN : 101720W

Jignesh Mehta
Partner
M. No.:102749

For and on behalf of the Board of Directors

Ashokkumar Ruia
(Chairman & Managing Director)
DIN - 00086762

Shishir Shrivastava
(Jt. Managing Director)
DIN - 01266095

Atul Ruia
(Jt. Managing Director)
DIN - 00087396

Pradumna Kanodia
(Director - Finance)
DIN - 01602690

Place : Mumbai
Date: 13th May, 2016

Puja Tandon
(Company Secretary)
M.No.A21937

Statement of Profit and Loss

for the year ended 31st March, 2016

	Notes	₹	2015-2016 ₹	2014-2015 ₹
INCOME				
Revenue from Operations	16		**3,557,898,812**	3,154,534,832
Other Income	17		**990,264,429**	967,368,929
Total Revenue			**4,548,163,241**	4,121,903,761
EXPENDITURE				
Employee Benefits Expense	18		**112,982,151**	89,669,444
Finance Costs	19		**687,850,162**	706,655,366
Depreciation and Amortization Expense	20		**293,148,702**	310,492,788
Other Expenses	21		**1,046,569,350**	1,033,864,064
Total Expenses			**2,140,550,365**	2,140,681,662
Profit Before Tax and Exceptional Items			**2,407,612,876**	1,981,222,099
Less : Exceptional Item	36		**280,000,000**	842,500,000
Profit Before Tax and after Exceptional Items			**2,127,612,876**	1,138,722,099
Less : Tax Expens e				
Current Tax		**639,000,000**		532,000,000
Deferred Tax		**(20,314,544)**	**618,685,456**	(11,799,251)
Profit for the year			**1,508,927,420**	618,521,350
Earnings Per Share				
Basic EPS (Face Value ₹ 2)	25		**10.02**	4.27
Diluted EPS (Face Value ₹ 2)	25		**10.02**	4.26
Significant Accounting Policies and Notes on Financial Statements	1 to 44			

As per our report of even date

For A.M.Ghelani & Company
Chartered Accountants
FRN : 103173W

Chintan A. Ghelani
Partner
M. No.:104391

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(Director - Finance)
DIN - 01602690

Place : Mumbai
Date: 13th May, 2016

Puja Tandon
(Company Secretary)
M.No.A21937

Cash Flow Statement

for the year ended on 31st march 2015

		2015-2016		2014-2015
	₹	₹	₹	₹
A Cash Flows from Operating Activities				
Net Profit before tax as per the Statement of Profit and Loss		**2,127,612,876**		1,138,722,099
Adjustments for :				
Depreciation	**293,148,702**		310,492,788	
Exceptional Item	**280,000,000**		842,500,000	
(Profit)/Loss on Assets sold/discarded	-		(17,241,908)	
Balances in Debtors/Advances written off	**4,920,275**		3,375,357	
Stock Options	**1,353,742**			
Balances written back	**(3,938,738)**		(2,917,289)	
Provision for Doubtful Debts and Advances	**11,352,475**		33,055,414	
Interest Expenses	**758,483,113**		706,655,366	
Interest Income	**(964,941,974)**		(937,938,627)	
Dividend Income	**(1,224,158)**		(5,199,981)	
Profit on sale of Investments	**(17,450,340)**		(2,434,149)	
		361,703,097		930,346,971
Operating Cash flow before working capital changes		**2,489,315,973**		2,069,069,070
Adjustment for Working Capital changes :				
Trade and other Receivables	**(45,285,729)**		(240,447,579)	
Trade and other Payables	**305,249,125**		(79,771,873)	
		259,963,395		(320,219,453)
Cash generated from Operations		**2,749,279,368**		1,748,849,618
Direct Taxes Paid		**(624,606,578)**		(584,398,681)
Net Cash from Operating Activities A		**2,124,672,790**		1,164,450,937
B Cash Flows from Investing Activities				
Purchases of Fixed Assets	**(306,075,201)**		(955,327,557)	
Sale of Fixed Assets	-		122,918,869	
Inter Corporate Deposits & Loans (placed)/ refunded (Net)	**(617,184,949)**		328,297,913	
Purchase of Investments	**(4,536,784,806)**		(2,047,408,414)	
Sale of Short Term Investments	**3,475,122,628**		760,434,149	
Purchase of Short Term Investments	**(3,457,672,288)**		(758,000,000)	
Interest Received	**971,133,098**		979,063,504	
Dividend Received	**1,224,158**		5,199,981	
Net Cash generated from/(used in) Investing Activities B		**(4,470,237,361)**		(1,564,821,556)

	31st March, 2016		31st March, 2015	
	₹	₹	₹	₹
C Cash Flows from Financing Activities				
Proceed from long term borrowings	**446,540,337**		6,738,000,000	
Repayment of long term borrowings	**(530,080,338)**		(5,606,275,004)	
Short term loans availed / (repaid)(Net)	**1,623,245,184**		396,492,070	
Proceeds from Issue of Shares	**2,759,568,505**		30,056,114	
Interest paid	**(723,532,715)**		(829,470,811)	
Dividend paid (including tax on Dividend)	**(721,786,124)**		(371,426,495)	
Net Cash generated from/(used in) Financing Activities C		**2,853,954,849**		357,375,875
D Net Increase/(Decrease) in Cash and Cash Equivalents A+B+C		**508,390,279**		(42,994,744)
Cash and Cash equivalents at the beginning of the year		**204,319,316**		247,314,061
Cash and Cash equivalents at the end of the year (Refer Note. 15)		**712,709,596**		204,319,316

Note : The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 "Cash Flow Statements" as notified by the Companies (Accounting Standards) Rules 2006.

As per our report of even date

For A.M.Ghelani & Company
Chartered Accountants
FRN : 103173W

Chintan A. Ghelani
Partner
M. No.:104391

For Chaturvedi & Shah
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For and on behalf of the Board of Directors

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Pradumna Kanodia
(Director - Finance)
DIN - 01602690

Puja Tandon
(Company Secretary)
M.No.A21937

Place : Mumbai
Date: 13th May, 2016

Notes
on financial statements for the year ended 31st March, 2016

NOTE 1

SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation of financial statements:
The Financial statements have been prepared to comply with accounting principles generally accepted in India (Indian GAAP), the Accounting Standards notified under relevant under provisions of the Companies Act, 2013. The Financial statements are prepared on accrual basis under the historical cost convention except for certain fixed assets which are revalued. The Financial statements are presented in Indian Rupees.

b) Use of estimates:
The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses for the reporting period. The difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

c) Classification of Assets and Liabilities as Current and Non – Current
All assets and liabilities are classified as current or non-current as per Company's normal operating cycle, and other criteria set out in Schedule III to the Companies Act, 2013 and accordingly, 12 months period has been considered by the Company as its normal operating cycle for the purpose of classification of assets and liabilities as current and non- current.

d) Fixed Assets:

i) Fixed Assets are stated at cost net of cenvat credit and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any.

ii) Expenditure incurred on construction/erection of assets, which are incomplete as at balance sheet date, are included in Capital Work in Progress.

e) Depreciation:

i) Leasehold land is amortized over the period of lease.

ii) Depreciation on other fixed assets (excluding land and lease land in perpetuity) is provided on written down value method as per the useful life specified in schedule II to the Companies Act, 2013, in the manner state therein.

iii) In respect of certain revalued assets, (land, buildings and plant & machinery) depreciation has been calculated on the revalued figures as per the rates and in the manner specified by the valuers in their Revaluation Report.

f) Impairment of Assets:
In accordance with AS 28 on "Impairment of Assets", where there is any indication of impairment of the company's assets related to cash generating units, the carrying amounts of such assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of such assets is estimated as the higher of its net selling price and its value in use. An impairment loss is recognised in the Statement of Profit and Loss, whenever the carrying amount of such assets exceeds its recoverable amount.

g) Investments:
Long term investments are valued at cost of acquisition less diminution if any, of a permanent nature. Current Investments are stated at cost or market/fair value, whichever is lower.

h) Borrowing Costs:
Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such

assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

i) Revenue Recognition:
Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection. License fees, rental income and service charges are recognised based on contractual rights. Interest is recognised on time proportion basis. Dividend income is recognised when the right to receive the same is established.

j) Employee Benefits: -

i) Short term employee benefits are recognised as expenses at the undiscounted amounts in the Statement of Profit & Loss for the year in which the related service is rendered.

ii) Post employment and other long term employee benefits are recognised as an expense in the Statement of Profit & Loss for the year in which the employee has rendered services. The expenses are recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits (net of expected return on plan assets) are charged to the Statement of Profit & Loss.

k) Foreign Currency Transactions:

i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction. Monetary items denominated in foreign currencies at the Balance Sheet date are restated at the year-end rates. Non monetary foreign currency items are carried at cost.

ii) Exchange differences arising as a result of the subsequent settlements or on translations are recognised as income or expense in the Statement of Profit and Loss except the Exchange differences arising on long term foreign currency monetary items relating to the acquisition of the fixed assets, which are adjusted to the carrying cost of the assets.

l) Securities Issue Expenses:
Expenses in connection with the issue of securities are adjusted against the Securities Premium Account.

m) Taxes on Income:

i) Provision for income tax (current tax) is determined on the basis of the taxable income of the current year in accordance with the Income Tax Act, 1961.

ii) Deferred tax is recognised in respect of deferred tax assets (subject to the consideration of prudence) and deferred tax liabilities on timing differences, being the difference between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years.

n) Provisions, Contingent Liabilities and Contingent Assets:
Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the Notes to Financial Statements. Contingent Assets are neither recognised nor disclosed in the financial statements.

NOTE 2

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
SHARE CAPITAL		
AUTHORISED :		
225,000,000 (P. Y. 225,000,000) Equity Shares of ₹ 2/- each	**450,000,000**	450,000,000
ISSUED, SUBSCRIBED AND PAID UP:		
152,988,852 (P Y. 144,956,695) Equity Shares of ₹ 2 each fully paid up	**305,977,704**	289,913,390
	305,977,704	289,913,390
a) Equity Shares have been reserved for allotment under The Phoenix Mills Employees' Stock Option Plan 2007.	**3,390,000**	3,390,000
b) Equity Options granted under 'The Phoenix Mills Employees' Stock Option Plan 2007 :		
As at beginning of the year (on cumulative basis)	**644,306**	650,000
Options Granted during the year	**-**	105,556
Options Exercised during the year	**(40,250)**	(111,250)
	604,056	644,306
Options Lapsed till date, available for regrant	**425,000**	425,000
	179,056	219,306
c) Reconciliation of Shares.		
Equity Shares outstanding at the beginning the year	**144,956,695**	144,845,445
Add : Issued during the year on exercise of employee options	**40,250**	111,250
Add : Issued during the year under Qualified Institutional Placement	**7,991,907**	-
Equity Shares outstanding at the end of the year	**152,988,852**	144,956,695

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

e) Shares in the Company held by each shareholder holding more than 5 % Shares

Name of Shareholder	No. of Shares	% of Holding	No. of Shares	% of Holding
Ruia International Holding Company Private Limited	**49,347,248**	**32.26**	49,207,037	33.95
Senior Holdings Private Limited.	**15,490,049**	**10.12**	15,142,550	10.45
Radhakrishna Ramnarain Private Limited.	**11,667,800**	**7.63**	11,617,930	8.01
Ashok Apparels Private Limited.	**9,670,665**	**6.32**	9,670,665	6.67

f) During the year, the Company undertook Private Placement, as authorised by the Board of Directors, for issuance of 7,991,907 Equity Shares of face value of ₹ 2/- each to Qualified Institutional Buyers at a price of ₹ 353.6/- per Equity Share, including share premium of ₹ 351.6/- per Equity Share, aggregating to ₹ 282.59/- crores in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009 (SEBI ICDR Regulations) and Section 42 of the Companies Act, 2013 and the Rules made there under. The QIP issue was closed on 14/07/2015 and consequently, the said Equity Shares were allotted on 17/07/2015.

NOTE 3

	₹	As at 31st March, 2016 ₹	₹	As at 31st March, 2015 ₹
RESERVES & SURPLUS				
RESERVES				
Capital Reserve				
As per last Balance Sheet		**18,413,824**		18,413,824
General Reserve				
As per last Balance Sheet	**2,291,764,734**			2,091,764,734
Add: Transfer from Surplus	-			200,000,000
		2,291,764,734		2,291,764,734
Securities Premium				
As per last Balance Sheet	**10,689,078,354**			10,659,263,354
Add: On issue of shares	**2,820,741,501**			29,815,000
Less: Expenses on the issuance of shares	**(77,237,310)**			-
		13,432,582,545		10,689,078,354
Revaluation Reserve				
As per last Balance Sheet	**102,888,921**			103,886,842
Less:Additional Depreciation on Revaluation of Assets transferred to Statement of Profit & Loss	-			997,921
		102,888,921		102,888,921
Share Options Outstanding				
As per last Balance Sheet	**18,614**			-
Add: ESOP Cost for the year	**1,353,742**			18,614
		1,372,356		18,614
SURPLUS				
Profit & Loss Account				
As per last Balance Sheet	**5,697,678,914**			5,674,593,021
Add : Profit for the Current Year	**1,508,927,420**			618,521,350
	7,206,606,334			6,293,114,371
Less : Appropriations				
Transferred to General Reserve	-			(200,000,000)
Proposed Dividend - Interim	**(267,370,001)**			-
Proposed Dividend - Final (Dividend Per share ₹ 2.20/-) (P.Y. ₹ 2.20/-)	**(86,515,729)**			(318,904,729)
Tax on Proposed Dividend	**(71,624,262)**			(64,921,499)
Adjustment of depreciation as per transitional provision of Part C paragraph 7 (b) of Schedule II of the Companies Act , 2013 (Refer note no 10.1)	-			(11,609,229)
		6,781,096,342		5,697,678,914
TOTAL		**22,628,118,722**		18,799,843,361

NOTE 4

	As at 31st March, 2016		As at 31st March, 2015	
	Current	**Non Current**	Current	Non Current
	₹	₹	₹	₹
LONG TERM BORROWINGS				
SECURED				
Term Loans from Banks	**530,080,338**	**5,235,459,996**	434,100,000	5,318,999,996
(The term loans are Secured by Equitable Mortgage of deposit of Title deeds in respect of certain immovable properties situated at High Street Phoenix, Senapati Bapat Marg , Lower Parel, Mumbai and by hypothecation of rentals receivable from licencees.)				
Less: Amount disclosed under the head "Other Current Liabilities" (Note 9)	**(530,080,338)**		(434,100,000)	
TOTAL	-	**5,235,459,996**	-	5,318,999,996
Maturity Profile	FY 2016-2017	530,080,338	FY 2019-2020	743,220,000
	FY 2017-2018	590,810,000	FY 2020-2024	3,238,479,996
	FY 2018-2019	662,950,000		

NOTE 5

	As at 31st March, 2016	As at 31st March, 2015
	₹	₹
OTHER LONG TERM LIABILITIES		
Security Deposits from Occupants/Licencees	**1,105,502,965**	972,413,286
Income Received in Advance	-	6,803,311
Total	**1,105,502,965**	979,216,597

NOTE 6

	As at 31st March, 2016		As at 31st March, 2015	
	Current	**Non Current**	Current	Non Current
	₹	₹	₹	₹
PROVISIONS				
Provision for Employee Benefits				
Gratuity (net)	**494,462**	-	2,692,003	1,395,047
Leave Encashment	**2,302,308**	**4,720,041**	1,623,682	3,887,425
	2,796,770	**4,720,041**	4,315,685	5,282,472
Others				
Proposed Dividend	**68,844,983**	-	318,904,729	-
Tax on Proposed Dividend	**14,015,219**	-	64,921,499	-
	82,860,202	-	383,826,228	-
Total	**85,656,972**	**4,720,041**	388,141,913	5,282,472

NOTE 7

	As at 31st March, 2016 ₹	₹	As at 31st March, 2015 ₹	₹
CURRENT LIABILITIES				
SHORT-TERM BORROWINGS				
Secured				
Working Capital Loans (Overdraft facility with HDFC Bank Limited for ₹ Nil (P.Y. ₹ 13,99,21,828/-) and Kotak Mahindra Bank Limited for ₹ 94,64,45,516/- (P.Y. 9,83,28,106) is secured by Equitable Mortgage of deposit of Title deeds in respect of certain immovable properties situated at High Street Phoenix, Senapati Bapat Marg , Lower Parel, Mumbai and by hypothecation of rentals receivable from licencees.)		**946,445,516**		238,249,934
UnSecured				
Loan from Subsidiary		**1,500,000,000**		-
Commercial Paper		**-**		550,000,000
		2,446,445,516		788,249,934

NOTE 8

	As at 31st March, 2016 ₹	₹	As at 31st March, 2015 ₹	₹
TRADE PAYABLES				
Micro and Small Enterprises (Refer Note No. 42)		**-**		-
Others		**145,529,570**		82,173,881
		145,529,570		82,173,881

NOTE 9

	As at 31st March, 2016 ₹	₹	As at 31st March, 2015 ₹	₹
OTHER CURRENT LIABILITIES				
Current Maturities of Long Term Debts (Refer Note No.4)		**530,080,338**		434,100,000
Interest Accrued but not due		**70,249,578**		39,877,652
Advance from Prospective Buyers		**175,988,680**		135,652,670
Income Received in Advance		**7,837,871**		6,338,026
Unpaid Dividends #		**20,877,699**		16,187,805
Other Liabilities				
Creditors for Capital Items		**31,722,075**		74,852,346
Security Deposits from Occupants/Licencees		**256,269,553**		199,379,017
Stautory Payments		**13,173,288**		7,305,481
Others *		**211,437,040**		285,503,553
TOTAL		**1,317,636,122**		1,199,196,550

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

* Others include Advance received against the sale/redemption of Investments of ₹ 191,880,000 (P.Y. ₹ 191,880,000) Refer Note 36

NOTE 10

Note "10"
FIXED ASSETS

Description	GROSS BLOCK [AT COST]				DEPRECIATION					NET BLOCK	
	As at 1.04.2015	Additions during the year	Deductions during the year	As at 31.03.2016	Upto 1.04.2015	For the year	Transfer to Retained earnings (Refer Note 10.1)	Deductions during the year	Up to 31.03.2016	As at 31.03.2016	As at 31.03.2015
TANGIBLE ASSETS											
Freehold Land	10,669,783*	-	-	10,669,783	-	-	-	-	-	10,669,783	10,669,783
Right on Leasehold Land	69,761,432*	-	-	69,761,432	4,903,095	42,359	-	-	4,945,454	64,815,978	64,858,337
Building	5,605,839,455*	74,233,521	-	5,680,072,976	1,408,414,629	207,590,601	-	-	1,616,005,230	4,064,067,746	4,197,424,826
Plant and machinery	317,814,669*	27,754,236	-	345,568,906	173,701,340	34,013,258	-	-	207,714,598	137,854,308	144,113,329
Vehicles	33,824,444	9,867,719	-	43,692,163	23,359,573	2,416,096	-	-	25,775,670	17,916,493	10,464,871
Office furniture and Equipment	500,639,318	47,354,484	-	547,993,803	370,056,103	49,063,791	-	-	419,119,894	128,873,909	130,583,215
Total (A)	**6,538,549,101**	**159,209,961**	**-**	**6,697,759,062**	**1,980,434,740**	**293,126,105**	**-**	**-**	**2,273,560,845**	**4,424,198,218**	**4,558,114,361**
INTANGIBLE ASSETS											
Computer Softwares	282,469	-	-	282,469	169,481	22,598	-	-	192,079	90,390	112,988
Total (B)	**282,469**	**-**	**-**	**282,469**	**169,481**	**22,598**	**-**	**-**	**192,079**	**90,390**	**112,988**
Total (A+B)	**6,538,831,570**	**159,209,961**	**-**	**6,698,041,531**	**1,980,604,221**	**293,148,702**	**-**	**-**	**2,273,752,923**	**4,424,288,608**	**4,558,227,349**
Previous Year	**5,752,235,053**	**853,794,192**	**67,197,675**	**6,538,831,570**	**1,659,259,445**	**311,490,709**	**17,752,260**	**7,898,192**	**1,980,604,221**	**4,558,227,349**	**4,092,975,608**
Capital Work-in-Progress										**1,504,081,221**	**1,357,215,979**

Notes

10.1) Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II from 1st April 2014. Accordingly the unamortised carrying value is being depreciated/ amortised over the revised/ remaining useful lives. The written down value of fixed Assets whose lives have expired as at 1st April 2014 of ₹ 17,752,260/-(Gross figure) have been adjusted net of tax of ₹11,609,229/- , in the opening balance of the Profit and Loss Account of Financial Year 2014 -15

10.2) @ Represent write off on the basis of the period of the lease

10.3) Lease Hold Land

i) Includes land taken on lease for the period of 999 year from 1951 renewal at the option for like period

ii) Includes ₹ 26,638,617 (as revalued) leased in perpetutity against which there is no write of required

10.4) Capital Work in progress includes pre operative expenses of ₹ 304,838,455 (P.Y ₹ 239,561,541) refer note no 33.

NOTE 11

	As at 31st March, 2016 ₹	₹	As at 31st March, 2015 ₹	₹
NON CURRENT INVESTMENTS				
A. TRADE				
UNQUOTED				
1. INVESTMENT IN EQUITY INSTRUMENTS				
i. SUBSIDIARY COMPANIES				
(Equity Shares of face value of ₹ 10/- each fully paid-up unless otherwise stated)				
4,387,120 (P.Y.4,000,020) - Bellona Hospitality Services Limited (Formerly Known as Bellona Finvest Limited)	**43,871,200**		43,871,200	
25,585,930 (P. Y. 19,245,020) - Big Apple Real Estate Pvt. Ltd.	**1,714,389,461**		1,125,715,797	
10,000 (P. Y. 10,000) - Enhance Holdings Pvt. Ltd. (Formerly known as Kalani Holdings Pvt. Ltd.)	**384,600**		384,600	
100,000 (P. Y. 100,000) - Market City Management Pvt Ltd.	**1,000,000**		1,000,000	
10,000 (P. Y. 10,000) - Market City Resources Pvt. Ltd.	**103,600**		103,600	
967,000 (P.Y. Nil) Gangetic Hotels Pvt Ltd	**63,020,100**		-	
26,176,473 (P.Y. 19,105,862) - Island Star Mall Developers Pvt. Ltd. @	**2,649,267,458**		1,456,187,782	
9,280 (P. Y. 9,280) - Mugwort Land Holdings Pvt. Ltd (Formerly known as Mugwort Developers (P) Ltd)	**92,800**		92,800	
17,192,079 (P.Y. 15,836,664) - Palladium Constructions Pvt Ltd.	**2,188,508,710**		1,932,747,316	
1,200,000 (P.Y. 1,200,000) - Pallazzio Hotels & Leisure Ltd. ₹100 each @	**120,000,000**		120,000,000	
1,321,400 (P.Y. 1,321,400) Phoenix Hospitality Services Private Limited @	**1,541,634,836**		1,541,634,836	
10,000 (P.Y. 10,000) - Pinnacle Real Estate Development Pvt. Ltd.	**39,993,898**		39,993,898	
10,000 (P.Y. 10,000) - Plutocrate Asset & Capital Management Co. Pvt. Ltd.	**35,000,000**		35,000,000	
1,250 (P. Y. 1250) - Butala Farm Lands Pvt. Ltd. ₹ 100 each	**250,000,000**		250,000,000	
20,645,223 (P.Y. 17,767,851) - Offbeat Developers Private Limited @	**2,663,571,274**		2,064,560,026	
3,709,416 (P.Y. 3,709,416) - Classic Mall Development Pvt. Limited @	**815,435,694**		815,435,694	
19,669,139 (P.Y.13,638,139)- Vamona Developers Pvt. Ltd. @	**1,190,906,563**		474,194,563	
50,000 (P.Y. 25,000) Savannah Phoenix Pvt Ltd (Associate upto 6th April 2015)	**564,680**		250,000	
		13,317,744,874		9,901,172,111

	As at 31st March, 2016 ₹	₹	As at 31st March, 2015 ₹	₹
ii. ASSOCIATES				
(Equity Shares of face value of ₹ 10/- each fully paid-up)				
5,000 (P.Y. 5,000) - Classic Housing Projects Pvt. Ltd.	**50,000**			50,000
25,000 (P.Y. 25,000) - Escort Developers Pvt. Ltd.	**15,950,000**			15,950,000
		16,000,000		16,000,000
iii. OTHERS				
(Equity Shares of face value of ₹ 10/- each fully paid-up)				
5,000 (P.Y. 5,000) - Bartraya Mall Development Co. Pvt. Ltd	**50,000**			50,000
20,593,192 (P. Y. 20,593,192) - EWDPL (India) Pvt. Ltd. (Refer Note No 36)	**450,124,554**			450,124,554
10 (P.Y. 10) - Treasure World Developers (India) Pvt. Ltd.	**8,500**			8,500
		450,183,054		450,183,054
2. INVESTMENT IN PREFERENCE SHARES				
i. SUBSIDIARY				
(Redeemable Preference Shares of ₹10/- each fully paid-up)				
784,000 (P.Y. Nil) Savannah Phoenix Private Limited (Associate upto 6th April 2015)		**7,840,000**		-
3. INVESTMENT IN DEBENTURES				
i. SUBSIDIARY				
(Compulsorily Convertible Debentures of ₹100/- each fully paid-up)				
847,365 (P.Y. 847,365) Zero Coupon Pallazzio Hotels & Leisure Ltd - Series C	**627,779,110**			627,779,110
303,180 (P.Y 303,180) 0.0001% Phoenix Hospitality Co. Pvt. Ltd.	**30,318,000**			30,318,000
449,664 (P.Y. 449,664) Zero Coupon Pallazzio Hotels & Leisure Ltd - Series G	**634,925,886**			634,925,886
615,184 (P.Y. Nil) Zero Coupon Pallazzio Hotels & Leisure Ltd - Series H	**824,654,192**			-
397,616 (P.Y 224,000) 0.0001% - Savannah Phoenix (P) Limited	**28,750,000**			22,400,000
(Non Convertible Debenture of ₹ 230,000,000/- each fully paid-up)				
1 (P.Y. 1) Pallazzio Hotels & Leisure Ltd - Series F	**230,000,000**			230,000,000
(Optionally Fully Convertible Debentures of ₹ 100/- each fully paid-up)				
2,082,500 (P.Y. Nil) Bellona Hospitality Services Limited	**208,250,000**			-
32,920 (P.Y. Nil) Savannah Phoenix Private Limited	**3,292,000**			-

Notes
on financial statements for the year ended 31st March, 2016

	As at 31st March, 2016 ₹	₹	As at 31st March, 2015 ₹	₹
ii. ASSOCIATE				
(Compulsorily Convertible Debentures of ₹ 100/- each fully paid-up)				
34,000 (P.Y 34,000) 0.0001% - Escort Developers Pvt Limited	**3,400,000**		3,400,000	
1,383,999 (P.Y 1,383,999) 0.0001% - Star Board Hotels (P) Limited	**138,399,900**		138,399,900	
(Optionally Convertible Debentures of ₹ 100/- each fully paid-up)	**42,000,000**		42,000,000	
420,000 (P.Y.420,000) 0.0001% - Classic Housing Projects Pvt. Ltd.				
iii. OTHER				
(Compulsorily Convertible Debentures of ₹100/- each fully paid-up)				
66,500 (P.Y 66,500) 0.0001% - Phoenix Retail Pvt. Limited	**6,650,000**		6,650,000	
38,545 (P.Y 38,545) 0.0001% - Vigilant Developers Pvt. Limited	**3,854,540**		3,854,540	
(Compulsory Convertible Debentures of ₹ 10/- each fully paid-up)				
100,000,000 (P.Y.100,000,000) - Treasure World Developers Pvt. Ltd. Refer Note No 36	**1,000,000,000**		1,000,000,000	
		3,782,273,628		2,739,727,436
4. INVESTMENT IN THE CAPITAL OF PARTNERSHIP FIRM				
Phoenix Construction Company		**19,250,285**		19,424,433
B. OTHERS				
QUOTED				
(Equity Shares of face value of ₹ 10/- each fully paid-up, unless otherwise stated)				
36,325 (P. Y. 7,265) - I.C.I.C.I. Bank Limited - face value of ₹ 2 each (P.Y. ₹ 10 each) **	**260,250**		260,250	
20 (P. Y. 20) - Clariant Chemicals (India) Ltd.	**200**		200	
200,641 (P. Y. 200,641) - Graphite India Limited - face value of ₹ 2 each	**27,034,630**		27,034,630	
60,192 (P. Y. 60,192) - GKW Limited	**3,648,128**		3,648,128	
		30,943,208		30,943,208
UNQUOTED				
10 (P. Y. 10) ordinary shares of ₹ 50/-each -fully paid of Sukhsagar Premises Co-op. Society Ltd.	**500**		500	
80 (P. Y. 80) ordinary shares of ₹ 25/- each -fully paid of Rashtriya Mazdoor Madhyavarti Sahakari Grahak Sangh (Maryadit)	**2,000**		2,000	
		2,500		2,500
		17,624,237,549		13,157,452,742
Less: Provision for diminution in the value of investments (Refer Note No 36)		**1,052,500,000**		842,500,000
		16,571,737,549		12,314,952,742

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
1. Aggregate value of Quoted Investments:		
Book Value	**30,943,208**	30,943,208
Market Value	**58,013,247**	58,877,080
2. Aggregate book value of other Unquoted Investments:	**16,540,794,340**	12,284,009,534

Notes :

@ 51% shares of Island Star Mall Developers Private Limited held by the Company , 30% shares of Pallazzio Hotels & Leisure Limited , 50.01% shares of Vamona Developers Private Limited , 29.50% shares of Phoenix Hospitality Company private Limited & 48.19% shares of Classic Mall Developments Private Limited are held subject to a non-disposal undertaking to the lender bank stating that it shall not dispose / transfer /pledge /encumber these shares owned/held in the company until the loans taken by these companies are fully repaid to the bank.

** Out of 36,325 shares, 9,975 shares are held by a Bank in their name as security

NOTE 12

	As at 31st March, 2016 Current ₹	As at 31st March, 2016 Non Current ₹	As at 31st March, 2015 Current ₹	As at 31st March, 2015 Non Current ₹
NOTE "12"				
LOANS AND ADVANCES				
Unsecured and considered good, unless otherwise stated				
Deposits				
Deposits with Related Parties #	**15,000,000**	**551,775,000**	15,000,000	689,275,000
Other Deposits	-	**31,184,460**	-	40,299,003
Capital Advances				
Advance for Capital Items to Related Parties #	-	**912,474,313**	-	912,474,313
Others	-	**50,000,671**	-	87,335,307
Inter Corporate Loans and Deposits				
With Related Parties #	**2,812,254,698**	**4,247,151,118**	2,403,513,347	4,148,631,002
With Others				
Considered Good	**188,324,640**	**30,000,000**	185,318,391	30,000,000
Considered Doubtful	**75,725,000**	-	5,725,000	-
	264,049,640	**30,000,000**	191,043,391	30,000,000
Less: Provision for Doubtful Receivables	**(75,725,000)**	-	(5,725,000)	-
	188,324,640	**30,000,000**	185,318,391	30,000,000
Other Advance	-	**320,000,000**	-	-
Advance Tax (Net of Provision)	-	**32,547,340**	-	46,940,761
Balance with Central Excise Authorities	**39,015,941**	-	12,691,300	-
Other Loans & Advances	**37,576,676**	**30,644,582**	80,125,530	49,745,082
TOTAL	**3,092,171,955**	**6,205,777,484**	2,696,648,568	6,004,700,468

Refer note no. 24

Loans & Advances include ₹ 854,533,723/-(Previous year: ₹ 414,245,496/-) to private limited companies in which any director is a director/member.

NOTE 13

	As at 31st March, 2016		As at 31st March, 2015	
	Current	Non Current	Current	Non Current
	₹	₹	₹	₹
OTHER ASSETS				
Interest Accrued on Fixed Deposits	**3,268,656**	-	2,922,457	-
Interest Accrued on Investments	**143,251,101**	-	143,251,111	-
Unbilled Revenue	**2,403,609**	-	9,195,883	-
Non current portion of Cash & Cash equivalents (Refer note no 15)	-	**318,854,417**	-	318,854,417
TOTAL	**148,923,366**	**318,854,417**	155,369,451	318,854,417

NOTE 14

	As at 31st March, 2016		As at 31st March, 2015	
	₹	₹	₹	₹
TRADE RECEIVABLES				
UNSECURED (considered good unless otherwise stated)				
Receivables outstanding for a period exceeding six months from the date due				
Considered Good	**22,530,518**		30,739,550	
Considered Doubtful	**83,702,573**		72,350,098	
	106,233,091		103,089,648	
Less: Provision for Doubtful Receivables	**83,702,573**		72,350,098	
		22,530,518		30,739,550
Other Receivables		**232,216,034**		188,547,937
TOTAL		**254,746,552**		219,287,487

Trade Receivables include ₹ 1,173,914/- (Previous Year ₹ 1,173,914/-) from private companies in which a director is a director / member

NOTE 15

	As at 31st March, 2016		As at 31st March, 2015	
	Current	Non Current	Current	Non Current
	₹	₹	₹	₹
CASH AND CASH EQUIVALENTS				
Cash on hand	**205,761**	-	202,208	-
Balances with Banks:				
In Current Accounts	**691,626,138**	-	187,929,305	-
In Fixed Deposit (Earmarked) Accounts :				
Others *	-	**318,854,417**	-	318,854,417
In Earmarked Accounts :				
Dividend Accounts	**20,877,697**		16,187,803	
Less : Non current portion transferred to Non current assets (Refer note no. 13)	-	**(318,854,417)**	-	(318,854,417)
TOTAL	**712,709,596**	-	204,319,316	-

* Fixed Deposits of ₹ 31,46,00,000 (P.Y. ₹ 31,46,00,000) earmarked towards maintenance of DSRA as per loan agreement and Fixed deposits of ₹ 4,254,417 (P.Y. ₹ 4,254,417) is given as security for bank guarantee.

NOTE 16

		2015-16		2014-15
	₹	₹	₹	₹
REVENUE FROM OPERATIONS				
Sale of Services				
License Fees and Rental Income		**2,600,992,917**		2,327,610,207
Service Charges		**456,041,854**		388,099,406
Others		**500,864,041**		438,825,219
TOTAL		**3,557,898,812**		3,154,534,832

NOTE 17

		2015-16		2014-15
	₹	₹	₹	₹
OTHER INCOME				
Interest Income				
From Long Term Investments	**32**		42	
From Others	**964,941,942**	**964,941,974**	937,938,585	937,938,627
Dividend Income				
From Equity Investments in Subsidiary	-		2,500,000	
From Other Long Term Investments	**1,224,158**		2,699,981	
		1,224,158		5,199,981
Profit on sale of Investments		**17,450,340**		2,434,149
Other Non-operating Income				
Miscellaneous Receipts		**2,709,219**		1,051,450
Profit on assignment of rights/transfer of property under development		-		17,827,434
Sundry Balances written back		**3,938,738**		2,917,289
TOTAL		**990,264,429**		967,368,929

NOTE 18

		2015-16		2014-15
	₹	₹	₹	₹
EMPLOYEE BENEFITS EXPENSE				
Salaries, Wages & Bonus		**104,279,084**		78,571,352
Contribution to Provident Fund & Other Funds		**2,474,311**		1,780,013
Gratuity and Leave encashment		**1,267,250**		6,909,819
Staff Welfare Expenses		**4,961,506**		2,408,260
TOTAL		**112,982,151**		89,669,444

NOTE 19

		2015-16		2014-15
	₹	₹	₹	₹
FINANCE COSTS				
Interest Expense				
Interest to Banks on Fixed Loans		**635,608,978**		615,620,070
Other Borrowing Costs		**52,241,184**		91,035,296
TOTAL		**687,850,162**		706,655,366

NOTE 20

		2015-16		2014-15
	₹	₹	₹	₹
DEPRECIATION AND AMORTISATION EXPENSE				
Depreciation and Amortisation		**293,148,702**		311,490,709
Less : Transferred from revaluation reserve		-		997,921
TOTAL		**293,148,702**		310,492,788

NOTE 21

		2015-16		2014-15
	₹	₹	₹	₹
NOTE "21"				
OTHER EXPENSES				
Electricity		**414,162,120**		373,881,750
Repairs and Maintenance:-				
Buildings	**63,940,978**			43,335,140
Plant & Machinery	**33,209,071**			33,887,784
Others	**11,882,012**			11,980,270
		109,032,061		89,203,194
Insurance		**6,934,831**		6,538,326
Rent		**2,898,216**		5,277,559
Rates & Taxes		**75,175,213**		80,798,865
Water Charges		**35,329,355**		37,603,075
Legal and Professional charges		**77,901,863**		82,561,570
Travelling Expenses		**17,976,236**		13,401,802
Auditors' Remuneration (Refer Note No. 28)		**5,675,600**		5,072,412
Directors' sitting fees & Commission		**2,380,000**		1,480,165
Compensation		**15,117,519**		13,884,621
Donation		**5,804,359**		7,732,500
Loss on Sale of Fixed Assets		-		585,526
Prior Period Expenses		**131,111**		4,635,426
Advertisement & Sales Promotion		**104,902,793**		122,022,567
Bad debts & Sundry balances written off	**4,920,275**		3,375,357	
Provision for Doubtful Debts	**11,352,475**	**16,272,750**	27,330,414	30,705,771
Provision for Doubtful Advances		-		5,725,000
Rebates and settlement		**5,014,277**		18,310,036
Bank charges		**1,192,762**		154,360
Housekeeping and other services		**79,844,267**		69,457,672
Security Charges		**35,571,591**		35,336,891
Share of Loss from a Partnership Firm		**174,148**		512,497
Other Miscellaneous Expenses		**35,078,278**		28,982,480
TOTAL		**1,046,569,350**		1,033,864,064

NOTE 22

Disclosure as per Accounting Standard 15 (Revised) "Employee Benefits".

(a) Defined Contribution Plan, recognised as expenses for the year are as under :
Employer's Contribution to Provident and Pension Fund ₹ 2,287,369 (PY ₹ 1,571,302).
Employer's Contribution to ESIC ₹ 24,084 (PY ₹ 71,430)

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

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

(i) Reconciliation of opening and closing balances of Defined Benefit Obligation

(Amount in ₹)

Particulars	2015-16		2014-15	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Present value of the obligation at the beginning of the year	10,527,391	5,511,107	9,829,070	2,570,766
Current Service Cost	871,655	1,634,642	1,258,255	3,225,971
Interest Cost	779,111	490,878	884,616	231,369
Actuarial (Gain) / Loss on Obligation	(1,849,120)	(418,603)	1,509,554	150,601
Benefits Paid	(1,140,318)	(195,676)	(2,954,104)	(667,600)
Present value of the obligation at the end of the year	9,188,719	7,022,348	10,527,391	5,511,107

(ii) Reconciliation of Fair Value of Assets and Obligations

(Amount in ₹)

Particulars	2015-16		2014-15	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Present value of the obligation at the end of the year	9,188,719	7,022,348	10,527,391	5,511,107
Fair Value of Plan Assets at the end of the year	(8,694,257)	NIL	(6,440,341)	NIL
Net Obligation at the end of the year	494,462	7,022,348	4,087,050	5,511,107

(iii) Expense recognised during the year

(Amount in ₹)

Particulars	2015-16		2014-15	
	Gratuity (Funded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Leave Encashment (Unfunded)
Current Service Cost	871,655	1,634,642	1,258,255	3,225,971
Interest cost on Obligation	779,111	490,878	884,616	231,369
Expected return on Plan Assets	(433,019)	NIL	(663,277)	NIL
Net Actuarial (Gain) / Loss recognised in the year	(1,952,596)	(418,603)	1,509,554	150,601
Net Cost Included in Personnel Expenses	(734,849)	1706,917	2,989,148	3,607,941

(iv) Actual Return on Plan Assets for the year

(Amount in ₹)

	Gratuity (funded) 2015-16	Gratuity (funded) 2014-15
Expected return on Plan Assets	433,019	663,277
Actuarial (gain)/loss on Plan Asset	103,476	-
Actual return on plan assets	536,495	663,277

(v) Actuarial Assumptions

(Amount in ₹)

Particulars	**2015-16**		2014-15	
	Gratuity	**Leave Encashment (Unfunded)**	**Gratuity**	Leave Encashment (Unfunded)
i) Discount Rate	7.70% P.A.	7.70% P.A.	7.75%.P.A.	7.75%. P.A.
ii) Salary Escalation Rate	7.50% P.A.	7.50% P.A.	10% P.A.	10% P.A.
iii) Mortality	Indian Assures Lives(2006-08) Ult. Mortality Rates	Indian Assures Lives(2006-08) Ult. Mortality Rates	L.I.C 1994-96 ULTIMATE	L.I.C 1994-96 ULTIMATE

(vi) Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets

(Amount in ₹)

Particulars	**Gratuity (funded) 2015-16**	Gratuity (funded) 2014-15
Plan Assets at the beginning of the year	6,440,341	8,668,500
Expected Return on plan assets	433,019	663,277
Contribution (made by the employer)	2,857,739	62,668
Benefits paid during the year	(1,140,318)	(2,954,104)
Actuarial (gain)/loss on Plan Assets	103,476	-
Fair Value of Plan Assets at the end of the year	8,694,257	6,440,341

(vii) Amount Recognised in current year and previous four years:

(Amount in ₹)

Particulars	**As at 31st March**				
Gratuity	2016	2015	2014	2013	2012
Defined Benefit Obligation	9,188,719	10,527,391	9,829,070	10,606,682	9,723,204
Fair Value of plan asset	8,694,257	6,440,341	8,668,500	9,077,312	8,181,591
(surplus)/Deficit in the Plan	494,462	(4,087,050)	(1,160,570)	(1,529,370)	(1,541,613)
Actuarial (gain)/loss on plan obligation	(1,849,120)	1,509,554	(618,304)	(297,733)	(160,386)
Actuarial(gain)/loss on plan assets	103,476	-	-	-	-

The company has funded its Gratuity obligation under Group Gratuity Policy managed by the Life Insurance Corporation (LIC) Of India.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

NOTE 23

The Company is mainly engaged in the development and operation of Malls and other real estate properties. All activities of the company revolve around this main business. As such, there are no separate reportable segments as per Accounting Standard 17 -'Segment Reporting'.

NOTE 24

In view of the Accounting Standard AS 18 on Related Parties Disclosures, the disclosure in respect of related party transactions for the year ended on 31st March 2016 is as under:

a) **RELATIONSHIPS**

Category I : Subsidiaries of the Company

Alliance Spaces Private Limited
Blackwood Developers Private Limited
Bellona Hospitality Services Limited
Big Apple Real Estate Private Limited
Butala Farm Lands Private Limited
Classic Mall Development Company Private Limited
Gangetic Developers Private Limited
Gangetic Hotels Private Limited (Associate up to 03/11/2015)
Graceworks Realty & Leisure Private Limited
Island Star Mall Developers Private Limited
Enhance Holding Private Limited
Market City Management Private Limited
Marketcity Resources Private Limited
Mugwort Land Holdings Private Limited
Offbeat Developers Private Limited
Palladium Constructions Private Limited
Pallazzio Hotels and Leisure Limited
Pinnacle Real Estate Development Private Limited
Plutocrat Assets and Capital Management Private Limited
Phoenix Hospitality Company Private Limited
Sangam Infrabuild corporation Private Limited
Savannah Phoenix Private Limited (Associate up to 05/04/2015)
Upal Developers Private Limited
Vamona Developers Private Limited

Category II : Associates of the Company

Classic Housing Projects Private Limited
Escort Developers Private Limited
Galaxy Entertainment Corporation Limited
Galaxy Entertainment (India) Private Limited
Mirabel Entertainment Private Limited
Starboard Hotels Private Limited

Category III : Key Managerial Personnel

Key Person	Designation
Ashokkumar R Ruia	Chairman & Managing Director
Atul Ruia	Jt. Managing Director
Kiran B Gandhi	Whole-time Director (up to 31/05/2015)
Shishir Shrivastava	Whole-time Director

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

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

Category V : Relatives of Key Managerial Personnel
Gayatri A Ruia
B.R.International

b. Transactions during the year :

(Amount in ₹)

	Particulars	Category I	Category II	Category III	Category IV	Category V	Total
1	Rent,Compensation & Other recoveries	3,81,58,663	8,066,335	-	-	20,72,832	4,82,97,830
		(3,35,11,192)	(-)	(-)	(-)	(18,09,953)	(3,53,21,145)
2	Interest Received	88,44,62,031	3,55,18,188	-	-	-	91,99,80,218
		(87,94,62,410)	(1,09,31,701)	(-)	(-)	(-)	(89,03,94,111)
3	Administrative & other expenses	4,57,71,943	-	-	55,98,854	-	5,13,70,797
		(3,87,77,279)	(-)	(-)	(59,72,710)	(-)	(4,47,49,989)
4	Interest Paid	3,92,21,311	-	-	-	-	3,92,21,311
		(-)	(-)	(-)	(-)	(-)	(-)
5	Remuneration/Salaries/ Other Expense	-	-	1,35,26,440	-	-	1,35,26,440
		(-)	(-)	(1,47,92,168)	(-)	(-)	(1,47,92,168)
6	Loss from Partnership Firm	-	-	-	174,148	-	174,148
		(-)	(-)	(-)	(5,12,497)	(-)	(5,12,497)
7	Inter Corporate Deposits Taken	1,50,00,00,000	-	-	-	-	1,50,00,00,000
		(-)	(-)	(-)	(-)	(-)	(-)
8	Inter Corporate Deposits returned by parties	4,457,989,946	15,98,21,170	-	-	-	4,617,811,116
		(59,53,26,770)	(-)	(-)	(-)	(-)	(59,53,26,770)
9	Inter Corporate Deposits Given	4,20,11,15,527	63,05,00,000	-	-	-	4,83,16,15,527
		(2,35,91,54,708)	(39,07,00,000)	(-)	(-)	(-)	(2,74,98,54,708)
10	Advances Given	32,00,00,000	-	-	-	-	32,00,00,000
		(-)	(-)	(-)	(-)	(-)	(-)
11	Advances Returned by the Parties	-	-	-	-	-	-
		(1,40,61,81,719)	(-)	(-)	(-)	(-)	(1,40,61,81,719)
12	Deposit Given	12,50,00,000	-	-	7,25,00,000	-	19,75,00,000
		(18,50,00,000)	(-)	(-)	(-)	(-)	(18,50,00,000)
13	Deposit Returned by the Parties	34,50,00,000	-	-	-	-	34,50,00,000
		(18,50,00,000)	(-)	(-)	(-)	(-)	(18,50,00,000)
14	Investment in Shares/ application money pending allotment	78,40,000	-	-	-	-	78,40,000
		(-)	(-)	(-)	(-)	(-)	(-)
15	Application money given	23,25,00,000	-	-	-	-	23,25,00,000
		(38,71,000)	(-)	(-)	(-)	(-)	(38,71,000)
16	Application money Refund Received/Converted	23,25,00,000	-	-	-	-	23,25,00,000
		(84,03,18,000)	(18,80,99,900)	(-)	(2,46,81,694)	(-)	(1,05,30,99,594)
17	Investment in OCD/CCD	1,03,61,96,192	-	-	-	-	1,03,61,96,192
		(75,73,18,000)	(16,41,99,900)	(-)	(1,05,04,540)	(-)	(93,20,22,440)

c) The following balances were due from/to the related parties as on 31-03-2016

(Amount in ₹)

Sr. No.	TRANSACTIONS	Category I	Category II	Category III	Category IV	Category V	Total
1	Investment in Equity Shares / Preference shares	13,32,55,84,873	1,60,00,000	-	-	-	13,34,15,84,873
		(9,90,09,22,110)	(1,62,50,000)	-	-	-	(9,91,71,72,110)
2	Investment in OCD/CCD	2,58,79,69,188	18,37,99,900	-	1,05,04,540	-	2,78,22,73,628
		(1,52,30,22,996)	(20,61,99,900)	-	(1,05,04,540)	-	(1,73,97,27,436)
3	Investment in Capital of Partnership Firm	-	-	-	19,250,285	-	19,250,285
		-	-	-	(1,94,24,433)	-	(1,94,24,433)
4	Capital Advances	91,24,74,313	-	-	-	-	91,24,74,313
		(91,24,74,313)	-	-	-	-	(91,24,74,313)
5	Inter Corporate Deposits Taken	1,53,52,99,180	-	-	-	-	1,53,52,99,180
		-	-	-	-	-	-
6	Inter Corporate Deposits Given	6,78,06,16,623	59,61,74,849	-	-	-	7,37,67,91,472
		(6,21,16,23,179)	(37,05,21,170)	-	-	-	(6,58,21,44,349)
7	Advances Received	1,50,000	-	-	1,50,000	-	3,00,000
		(1,50,000)	-	-	(1,50,000)	-	(3,00,000)
8	Trade Receivables	48,06,499	-	-	11,73,914	-	59,80,413
		(48,06,892)	-	-	(11,73,914)	(4,84,277)	(64,65,083)
9	Trade Payables	-	131,957	-	21,970,453	-	2,21,02,410
		-	(1,31,957)	-	(2,19,24,300)	-	(2,20,56,257)
10	Deposits Given	50,00,000	-	-	55,17,75,000	-	55,67,75,000
		(22,50,00,000)	-	-	(47,92,75,000)	-	(70,42,75,000)

*Figures in brackets indicates previous year figure.

Disclosure in Respect of Material Related Party Transactions during the year:

i. Rent & other recoveries include received from Market City Resources (P) ₹ 16,078,608 (P.Y. ₹ 16,078,608), Pallazzio Hotels & Leisure Limited ₹ 14,514,301 (P.Y. ₹ 17,432,584), Big Apple Real Estate Pvt Ltd ₹ 12,506 (P.Y. Nil), Marketcity Management Company Pvt Ltd ₹ 6,85,235 (P.Y. Nil), Savannah Phoenix Pvt Ltd ₹ 68,64,956 (P.Y. Nil) and Mirabel Entertainment Pvt Ltd ₹ 80,66,335 (P.Y. Nil)

ii. Interest received include received from Offbeat Developers (P) Limited ₹ 108,130,193 (P.Y. ₹ 221,805,450), Vamona Developers (P) Limited ₹ 26,973,732 (P.Y. ₹ 106,403,871), Pallazzio Hotels & Leisure Limited ₹ 529,633,022 (P.Y. ₹ 385,902,830) and Graceworks Realty Leisure Pvt Ltd ₹ 100,750,386 (PY. ₹. 98,865,206), Bellona Hospitality Services Ltd ₹ 7,356,631(P.Y. Nil), Big Apple Real Estate Pvt Ltd ₹ 28,234,225 (P.Y. Nil), Blackwood Developers (P) Ltd ₹ 4,368,452 (P.Y. Nil), Marketcity Resources Pvt Ltd ₹ 7,98,688 (P.Y. Nil), Phoenix Hospitality Company Pvt Ltd ₹ 11,253,979 (P.Y. Nil), Upal Developers Pvt Ltd ₹ 3,927,470 (P.Y. Nil), Gangetic Hotels Pvt Ltd ₹ 63,035,253 (P.Y. Nil) and Starboard Hotels Pvt Ltd ₹ 35,518,188 (P.Y. Nil)

iii. Administrative & other expenses include paid to Pallazzio Hotels & Leisure Limited ₹ Nil (P.Y. ₹ 4,462,279), Market City Resources Private Limited ₹ 37,123,260 (P.Y. 33,050,000), R.R Hosiery (P) Ltd. ₹ 3,645,254 (P.Y. ₹ 5,972,710), Offbeat Developers Pvt Ltd ₹ 8,478,452 (PY. ₹ 1,265,000), Bellona Hospitality Services Ltd ₹ 142,612 (P.Y. Nil), Savannah Phoenix Pvt Ltd ₹ 27,619 (P.Y. Nil) and R R Hosiery ₹ 1,953,600 (P.Y. Nil)

iv. Interest Paid to Classic Mall Developers Company Pvt Ltd ₹ 39,221,311 (P.Y. Nil).

v. Remuneration paid to Ashok Ruia ₹ 6,563,220 (P.Y. ₹ 6,000,000), Atul Ruia ₹ 65,63,220 (P.Y. ₹ 6,000,000) and Kiran Gandhi ₹ 400,000 (P.Y. ₹ 2,792,168)

vi. Loss from firm in Phoenix Construction Company ₹ 174,148 (P.Y. ₹ 512,497).

vii. Inter Corporate Deposit taken from Classic Mall Developers Company Pvt Ltd ₹ 1,500,000,000 (P.Y. Nil)

viii. Inter Corporate Deposit returned by the parties includes Deposits returned by Vamona Developers (P) Limited ₹ 775,956,153 (P.Y. ₹ 20,000,000), Graceworks realty & Leisure Pvt Ltd ₹ 100,000,000 (PY. ₹ 150,000,000), Big Apple Real Estate (P) Ltd. ₹ 50,000,000 (P.Y. ₹ 250,000,000), Offbeat Developers (P) Ltd. ₹ 1,879,019,033 (P.Y. ₹ 105,265,259), Bellona Hospitality Services Ltd ₹ 147,994,760 (P.Y. Nil), Blackwood Developers (p) Ltd ₹ 5,000,000 (P.Y. Nil), Marketcity Resources Pvt Ltd ₹ 65,000,000 (P.Y. Nil), Pallazzio Hotels & Leisure Pvt Ltd ₹ 1,435,020,000 (P.Y. Nil) and Starboards Hotels Pvt Ltd ₹ 159,821,170 (P.Y. Nil)

ix. Inter Corporate Deposits Given includes Deposits given to Vamona Developers (P) Limited ₹ 405,380,000 (P.Y. Nil), Pallazzio Hotels & Leisure Limited ₹ 1,521,045,808 (P.Y. ₹ 878,429,036), Graceworks realty & Leisure Pvt Ltd ₹ 137,000,000 (PY. ₹ 67,000,000), Big Apple Real Estate (P) Ltd ₹ 45,000,000 (P.Y. ₹ 136,500,000), Gangetic Hotels (P) Ltd. ₹ 211,409,000 (P.Y. ₹ 261,200,000), Offbeat Developers (P) Ltd ₹ 1,352,539,391 (P.Y. ₹ 1,241,642,108), Bellona Hospitality Services Ltd ₹ 120,691,328 (P.Y. Nil), Blackwood Developers (p) Ltd ₹ 86,200,000 (P.Y. Nil), Phoenix Hospitality Co Pvt Ltd ₹ 232,500,000 (P.Y. Nil), Upal Developers Pvt Ltd ₹ 89,350,000 (P.Y. Nil) and Starboard Hotels Pvt Ltd ₹ 630,500,000 (P.Y. Nil).

x. Capital Advances given towards capital goods to Offbeat Developers (P) Limited ₹ 320,000,000 (P.Y. Nil).

xi. Capital advances returned by Offbeat Developers (P) Limited ₹ Nil (P.Y. ₹1,406,181,719).

xii. Deposit given to Island Star Mall Developers (P) Ltd. ₹ 125,000,000 (P.Y. ₹185,000,000) and R R Hosiery Pvt Ltd ₹ 72,500,000 (P.Y. ₹Nil).

xiii. Deposits returned by Island Star Mall Developers (P) Ltd. ₹3,35,000,000 (P.Y. ₹185,000,000) and Marketcity Resources Pvt Ltd ₹ 10,000,000 (P.Y. ₹ Nil).

xiv. Allotment of Preference share in Savannah Phoenix Pvt Ltd of ₹ 7,840,000 (P.Y. Nil).

xv. Investment in Shares/Application Money pending allotment Phoenix Hospitality Co Pvt Ltd ₹ 232,500,000 (P.Y. ₹ Nil) and Bellona Hospitality Services Ltd ₹ Nil (P.Y. ₹ 3,871,000).

xvi. Share /Debenture application money refund received/converted includes Refund received from Starboard Hotels (P) Ltd. ₹ Nil (P.Y. ₹ 138,399,900), Escort Developers Private limited ₹ Nil (PY ₹ 3,400,000), Pallazzio Hotels Leisures Ltd. ₹ Nil (P.Y. ₹ 810,000,000) and Phoenix Hospitality Co Pvt Ltd ₹ 232,500,000 (P.Y. ₹ Nil)

xvii. Investment in CCD of Pallazzio Hotels & Leisure Limited of ₹ Nil (P.Y. ₹ 727,000,000) and Starboard Hotels (P) Limited ₹ Nil (P.Y. ₹ 138,399,900). Invetsment in OFCD of Bellona Hospitality Services Ltd of ₹ 208,250,000 (P.Y. Nil), Pallazzio Hotels & Leisure Ltd of ₹ 824,654,192 (P.Y. Nil) and Savannah Phoenix Pvt Ltd ₹ 3,292,000 (PY ₹ Nil)

NOTE 25

EARNING PER SHARE (EPS)

Basic as well as Diluted EPS	**2015-16**	2014-15
Net Profit after Tax (₹)	**1,508,928,420**	618,521,350
Weighted Average No. of Equity Shares for Basic EPS	**15,05,58,554**	144,881,603
Dilution due to ESOPs Granted	**106,028**	163,912
Weighted Average No. of Equity Shares for Diluted EPS	**150,664,582**	145,045,515
Nominal Value of Equity Shares (₹)	**2**	2
Basic Earning Per Share (₹)	**10.02**	4.27
Diluted Earning Per Share (₹)	**10.02**	4.26

NOTE 26

DEFERRED TAX

In accordance with the 'Accounting Standard -AS 22 Accounting for Taxes on Income" as notified by the Companies (Accounting Standards) Rules 2006, the company has created deferred tax Assets of ₹ 41,756,860 for the current year. The break-up of the net deferred tax asset as on 31st March, 2016 is as under:

(Amount in ₹)

	As at 31st March 2016	As at 31st March 2015
Deferred tax Liability		
Related to fixed assets	-	8,899,644
Deferred tax Assets		
Related to fixed assets	**10,187,656**	-
Disallowance under Income Tax Act	**31,569,204**	30,341,960
Total	**41,756,860**	21,442,316

NOTE 27

CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:-

a. Estimated amount of contracts remaining to be executed on capital account and not provided for in the accounts is ₹ 1,086,356,182 (P.Y. ₹ 1,113,142,797) net of advance paid.

b. The Income tax assessments of the Company have been completed up to Assessment Year 2013-14. The disputed tax demand raised upto the said Assessment Year is ₹ 424,219,328. The Company as well as the Income Tax Department are in appeal before the Appellate Authorities. The impact thereof, if any, on the tax position can be ascertained only after the disposal of the appeals. Accordingly, the accounting entries arising there from will be passed in the year of the disposal of the said appeals.

c. The Service Tax Department had issued a Demand Notice of ₹ 2,03,07,932 (P.Y. ₹ 2,03,07,932) to the company, against which the company has filed an appeal with the Service Tax Tribunal.

d. Demand notices received on account of arrears of Provident Fund dues aggregating to ₹ 2,471,962 (P.Y. ₹ 2,471,962) are disputed by the Company. The Company has paid ₹ 1,000,000 and has also furnished a Bank Guarantee for ₹ 1,471,165 against the said P.F. demands to the P.F. authorities.

e. Other Claims against the company not acknowledge of ₹ 8,395,942/- (P.Y 8,395,942/-)

f. Outstanding guarantees given by Banks ₹2,769,969 (P.Y. ₹ 2,769,969).

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

NOTE 28

The Auditors' Remuneration includes:

(Amount in ₹)

	2015-16	2014-15
Audit fees	**5,025,600**	4,422,000
Tax Audit fees	**6,50,000**	650,000
QIP Related Fees adjusted against Security Premium	**70,00,000**	-
Total	**1,26,75,600**	5,072,000

NOTE 29

Expenditure in foreign currency

(Amount in ₹)

	2015-16	2014-15
Foreign Travelling Expenses	**35,29,437**	3,84,801
Consultancy Fees	**1,37,28,005**	3,30,850
Other Misc. Expenses	**7,77,226**	62,24,541
Total	**1,80,34,668**	69,40,192

NOTE 30

CIF Value of Import :

(Amount in ₹)

	2015-16	2014-15
Construction Materials and Electrical Equipments	55,19,480	-
Total	**55,19,480**	-

NOTE 31

Earnings in foreign exchange :

(Amount in ₹)

	2015-16	2014-15
Dividend	**289,844**	1,872,547

NOTE 32

Amount remitted in foreign currency on account of dividend:

The Company has not remitted any amount in foreign currencies on account of dividends during the year and does not have information as to the extent to which remittances, if any, in foreign currencies on account of dividends have been made by/on behalf of the non-resident shareholders. The particulars of dividends declared and paid to non-resident shareholders, are as under:

	2015-16		
Dividends for the year	**Final**	**Interim**	2014-15
Number of non- resident share holders	**164**	**159**	151
Number of Equity Shares held by them	**4,58,47,097**	**4,36,91,275**	3,56,08,726
Face Value of Equity Share (Rs)	**₹ 2/-**	**₹ 2/-**	₹ 2/-
Gross Amount of Dividend (Rs)	**8,02,32,420**	**9,61,20,805**	7,83,39,197

NOTE 33

Project Development Expenditure

(In respect of Projects upto 31st March 2016, included under Capital Work-in-Progress)

Preoperative Income / Expenses transferred to capital work-in-progress:-

(Amount in ₹)

	2015-16	2014-15
Opening Balance	**239,561,541**	159,743,132
Expenditure		
Interest & Finance Charges	**70,632,951**	74,550,411
Rates & Taxes Provision(Net of Reversal)	**(5,356,037)**	5,267,998
Closing Balance	**304,838,455**	239,561,541

NOTE 34

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

(Amount in ₹)

Sr. No.	**Particulars**	**Relationship**	**2015-16**	**Maximum balance during the year**	**2014-15**	**Maximum balance during the year**
1	Pinnacle Real Estate Developers Private Limited	Subsidiary	5,31,08,222	5,31,08,222	5,31,08,222	5,31,08,222
2	Enhance Holding Private Limited	Subsidiary	12,93,22,100	12,93,22,100	12,93,22,100	12,93,22,100
3	Butala Farm Lands Private Limited	Subsidiary	2,00,000	2,00,000	2,00,000	2,00,000
4	Vamona Developers Private Limited	Subsidiary	27,98,96,635	79,47,15,878	64,49,56,153	64,49,56,153
5	Marketcity Resources Private Limited	Subsidiary	-	65,250,623	6,50,00,000	6,56,18,608
6	Bellona Hospitality Services Limited	Subsidiary	48,73,20,719	64,19,36,448	51,46,24,152	51,46,24,152
7	Phoenix Hospitality Co. Private Limited	Subsidiary	25,05,70,095	25,05,70,095	87,09,001	96,28,602
8	Pallazzio Hotels & Leisures Limited	Subsidiary	3,26,60,03,606	3,50,08,08,078	2,70,33,08,078	2,70,33,08,078
9	Graceworks Realty & Leisures Limited	Subsidiary	66,11,62,893	66,11,62,893	53,34,87,546	57,15,87,423
10	Upal Developers Private Limited	Subsidiary	9,28,84,723	9,28,84,723	Nil	4,92,13,174
11	Offbeat Developers Private Limited	Subsidiary	70,23,58,319	1,50,60,01,754	1,33,60,01,754	2,26,98,76,894
12	Big Apple Real Estate Private Limited	Subsidiary	24,33,16,976	26,79,06,173	22,29,06,173	36,52,23,056
13	Gangetic Hotels Private Limited (Associate up to 03/11/2015)	Subsidiary	52,93,40,728	52,93,40,728	26,12,00,000	26,12,00,000
14	Blackwood Developers (P) Ltd	Subsidiary	8,51,31,607	8,51,31,607	-	-
15	Starboard Hotels Private Limited	Associate	59,61,74,849	741,388,207	10,93,21,170	10,93,21,170

Notes :

(i) Butala Farm Lands Private Limited is having investment in equity shares of subsidiary company - Vamona Developers Private Limited.

(ii) Phoenix Hospitality Co. Private Limited is having investment in equity shares of Subsidiary - Gracework Realty & Lesiure Private Limited, Alliance Spaces Private Limited, Palladium Constructions Private Limited & Associates – Starboard Hotels Private Limited, Gangetic Hotels Private Limited (Associate up to 03/11/2015).

(iii) Escort Developers is having investments in Equity shares of Subsidiary - Classic Mall Development Company Private Limited.

NOTE 35

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

NOTE 36

The Company carries, as at the year end, Investments of ₹ . 45,01,24,554/- in the equity shares of Entertainment World Developers Limited (EWDL), ₹ 10000 lacs in FCDs of Treasure world Developers Pvt. Ltd. (TWDPL), subsidiary of EWDL and interest accrued thereon, upto 31-03-2012, of ₹ 14,32,51,068 (net of TDS). The company had exercised the put option available as per the Share and Debenture Subscription Deed for the said FCDs in earlier year against which EWDL has paid a part amount of Rs 19,18,80,000 in November 2013. Pending receipt of the balance consideration, the amount received has not been adjusted against the investments/ accrued Interest and has been shown under other current liability . The Networth of EWDL/TWDPL has been eroded as per latest available unaudited accounts as at 31-03-2014. The Company's Board has, out of abundant caution and as a prudent practice in line with the standard accounting practices, ₹ 84,25,00,000 for the impairment of these investments in the Financial Year 2014-15. The Board has decided to further provide ₹ 21,00,00,000 towards the impairment of these Investments, as at 31st March, 2016. The Company has also made provisions, for loan given of ₹ 70,000,000.

While the Company would continue its efforts for the recovery of the dues against the put option exercised by it on the FCDs, in the opinion of the Board, considering the realisable value of assets of EWDL & its subsidiaries, the impairment provisions against these investments are adequate.

NOTE 37

Capital work in progress includes ₹ 933,834,120 (P.Y. ₹ 933,834,120) comprising mainly the cost incurred on acquiring long term tenancies on the plot of land admeasuring 7617.51 sq mtrs at High Street Phoenix. The Company is exploring various alternatives for the development of the said plot of land.

NOTE 38

Based on the valuation reports of the Government approved valuers, the Company had revalued its assets consisting of land including leasehold land and land leased in perpetuity, Buildings and Plants and Machinery as on 31st March 1985. Depreciation on revalued land, building and plant and machinery has been calculated as per the rates specified by the valuers, which includes an additional charge amounting to ₹ 997,921 (P.Y. ₹ 9,89,845) in comparison to depreciation provided under the Companies Act, 1956.

NOTE 39

The balances in respect of Trade Receivables & Payables, loans and advances, as appearing in the books of accounts are subject to confirmations by the respective parties and adjustments/reconciliation arising there from, if any.

NOTE 40

Additional information as required under Section 186 (4) of the Companies Act, 2013 during the year:

a. Investment made in Body Corporate are mentioned in Note 11.

b. No Guarantee is given by the Company.

c. Loans given by the Company to Body Corporate or person are as under:

Party Name	Amount in ₹	Pupose
Accuraform Pvt Ltd	3,32,54,186	General Corporate Purpose
Alpha Stich-Art Pvt.Ltd.	50,88,767	General Corporate Purpose
Anushikha Investments Pvt. Ltd.	2,78,89,800	General Corporate Purpose
Bartraya Mall Development Co. Pvt. Ltd	3,00,00,000	General Corporate Purpose
Bellona Hospitality Services Limited	48,73,20,719	General Corporate Purpose
Big Apple Real Estate Private Limited	24,33,16,976	General Corporate Purpose
Blackwood Developers Pvt Ltd	8,51,31,607	General Corporate Purpose
Butala Farm Lands Private Limited	2,00,000	General Corporate Purpose
CGS Apparel Pvt Ltd	48,25,328	General Corporate Purpose
Enhance Holding Private Limited	12,93,22,100	General Corporate Purpose
Gangetic Hotels Private Limited	52,93,40,728	General Corporate Purpose
Graceworks Realty & Leisures Limited	66,11,62,893	General Corporate Purpose
GTN Textiles Limited	53,43,770	General Corporate Purpose
Kalani Industries Pvt Ltd	9,41,98,077	General Corporate Purpose
Mukand Limited	4,56,03,934	General Corporate Purpose
Offbeat Developers Private Limited	70,23,58,319	General Corporate Purpose
Pallazzio Hotels & Leisures Limited	3,26,60,03,606	General Corporate Purpose
Phoenix Hospitality Co. Private Limited	25,05,70,095	General Corporate Purpose
Pinnacle Real Estate Developers Private Limited	5,31,08,222	General Corporate Purpose
Platinum Fashion Apparels Pvt Ltd	26,14,344	General Corporate Purpose
SKS Fincap Pvt.Ltd.	1,06,04,918	General Corporate Purpose
Starboard Hotels Private Limited	59,61,74,849	General Corporate Purpose
Supreet Vyapaar Pvt.Ltd.	53,73,279	General Corporate Purpose
Swaran Financial Pvt Ltd	1,66,47,400	General Corporate Purpose
Treasure World Developers Pvt.Ltd.	57,25,000	General Corporate Purpose
Upal Developers Pvt Ltd	9,28,84,723	General Corporate Purpose
Vamona Developers Private Limited	27,98,96,635	General Corporate Purpose
York Financial Services Pvt. Ltd.	93,83,080	General Corporate Purpose

NOTE 41

The Company is a partner in a partnership firm M/s. Phoenix Construction Company. The accounts of the partnership firm have been finalised upto the financial year 2014-15. The details of the Capital Accounts of the Partners as per the latest Financial Statements of the firm are as under:-

(Amount in ₹)

Sr. No.	Name of the Partners	Profit Sharing ratio	Total Capital on 31/03/2015	Total Capital on 31/03/2014
1.	The Phoenix Mills Ltd.	50%	16,348,617	16,522,764
2.	Gold Seal Holding Pvt. Ltd.	50%	11,492,815	11,666,962

The Company has accounted for its share of loss amounting to ₹ 174,148(P.Y. ₹ 512,497) pertaining to the financial year 2014-15 in the year. The share of profit/loss for the current financial year will be accounted in the books of the Company on the finalisation of the accounts of the firm.

NOTE 42

Dues to Micro and Small Enterprises

The details of amounts outstanding to Micro and Small Enterprises based on the available information with the Company are as under

Sr. No.	Particulars	As at 31st March 2016	As at 31st March 2015
i)	Principal amount due and remaining unpaid	-	-
ii)	Interest due on above and the unpaid interest	-	-
iii)	Interest paid	-	-
iv)	Payment made beyond the appointed day during the year	-	-
v)	Interest due and payable for the period of delay	-	-
vi)	Interest accrued and remaining unpaid	-	-
vii)	Amount of further interest remaining due and payable in succeeding year	-	-

NOTE 43

Corporate Social Responsibility:

(a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the year is ₹ 3,32,20,583 (P.Y. ₹ 3,50,12,702)

(b) Expenditure related to Corporate Social Responsibility is ₹ 36,26,873/- (Previous Year ₹ 60,00,000).

Details of Amount spent towards CSR given below:

(Amount in ₹)

Particulars	2015-16	2014-15
Others	**36,26,873**	60,00,000
Total	**36,26,873**	60,00,000

NOTE 44

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

As per our report of even date

For A.M.Ghelani & Company
Chartered Accountants
FRN : 103173W

Chintan A. Ghelani
Partner
M. No.:104391

For Chaturvedi & Shah
Chartered Accountants
FRN : 101720W

Jignesh Mehta
Partner
M. No.:102749

For and on behalf of the Board of Directors

Ashokkumar Ruia
(Chairman & Managing Director)
DIN - 00086762

Shishir Shrivastava
(Jt. Managing Director)
DIN - 01266095

Atul Ruia
(Jt. Managing Director)
DIN - 00087396

Pradumna Kanodia
(Director - Finance)
DIN - 01602690

Puja Tandon
(Company Secretary)
M.No.A21937

Place : Mumbai
Date: 13th May, 2016

Independent Auditor's Report

To The Members of
THE PHOENIX MILLS LIMITED

Report on the Consolidated Financial Statements
We have audited the accompanying consolidated financial statements of **THE PHOENIX MILLS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements
The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates 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. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (1) and (2) of the Other Matters paragraph below, are sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Matter of Emphasis
a) We refer to note no. 40 of the accompanying consolidated financial statement relating to the company's investment in the equity shares of Entertainment World Developers Limited (EWDL) and the pending realization from EWDL against the put option exercised on Fully Convertible Debentures (FCDs) of Treasure World Developers Private Limited (TWDPL). The net worth of EWDL/TWDPL has been eroded as per the latest unaudited accounts as at 31st March, 2014. For the reason stated in the aforesaid note, Board has estimated and made provision for impairment of the investment and amount due on the put option on FCD's of ₹ 1,142,500,000/- (including ₹ 230,000,000/- for the current year) as at 31st March 2016, which is considered adequate.

b) We refer to note no. 41 of the accompanying consolidated financial statement relating to the provision for doubtful debt made in the books of one subsidiary of ₹ 403,112,701/- as on 31st March 2016 (including ₹ 213,864,343/- provided during the year) by the management based on the ongoing negotiations with the licensees.

Other Matters
1. Consolidated financial statements includes fifteen subsidiaries, the financial statements of, which reflect total assets of ₹ 53,095,501,536/- as at March 31, 2016, total revenue of ₹ 11,828,071,606/- and net cash outflow of ₹ 21,197,370/- for the year ended on that date and financial statement of three associates in which the total share of profit of the Group is ₹ 22,404,543/- have been audited by one of us.

2. We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets of ₹ 12,061,489,901/- as at 31st March, 2016, total revenues of ₹ 2,242,735,838/- and net cash inflow of ₹ 262,586,267/- for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 2,175/- for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of one associates, whose financial statements have not been audited by us. These financial statements and other financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.

3. We have relied upon unaudited financial statements six subsidiaries, whose financial statements reflect total assets of ₹ 7,256,151,296/- as at 31st March, 2016, total revenues of ₹ 970,871,272/- and net cash outflow of ₹ 101,087,665 /- for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ 5,607,000/- for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of two associates. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associates incorporated in India, is based solely on such unaudited financial statements.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated 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 the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and its associates and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

      i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates – Refer Note 33(ii) to (vi) to the consolidated financial statements.

      ii. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and its associates.

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

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

Chintan A. Ghelani
Partner
Membership No.: 104391

Jignesh Mehta
Partner
Membership No.: 102749

Place: Mumbai
Date: 13th May, 2016

Place: Mumbai
Date: 13th May, 2016

"Annexure A" to Independent Auditors' Report referred to in paragraph 2(f) under the heading "Report on other legal and regulatory requirements" of our report of even date.

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

We have audited the Internal Financial Control over financial reporting of The Phoenix Mills Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies and its associate companies, which are companies incorporated in India as of 31st March, 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year then ended.

Management's Responsibility for Internal Financial Control

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such

internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid reports under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to three subsidiary companies and one associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

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

Chintan A. Ghelani
Partner
Membership No.: 104391

Jignesh Mehta
Partner
Membership No.: 102749

Place: Mumbai
Date: 13th May, 2016

Place: Mumbai
Date: 13th May, 2016

Consolidated Balance Sheet

as at 31st March, 2016

Particulars	Notes	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
I. EQUITY AND LIABILITIES			
Shareholders' Fund			
Share Capital	2	**305,977,704**	289,913,390
Reserves & Surplus	3	**18,380,294,813**	16,446,992,411
Minority Interest		**4,510,706,130**	6,212,159,951
Non- Current Liabilities			
Long - Term Borrowings	4	**34,003,944,647**	28,190,321,136
Other Long Term Liabilties	5	**3,561,052,302**	3,003,660,321
Long - Term provisions	6	**321,037,047**	221,437,928
Current Liabilities			
Short- Term Borrowings	7	**2,431,903,871**	2,271,229,214
Trade Payables	8		
Small and Medium Enterprise		**2,524,647**	1,587,137
Others		**1,214,332,749**	1,048,595,871
Other Current Liabilities	9	**7,957,225,661**	8,186,765,525
Short Term Provisions	6	**322,442,542**	540,192,400
		73,011,442,113	66,412,855,284
II. ASSETS			
Non - Current Assets			
Fixed Assets	10		
Tangible Assets		**43,478,532,547**	41,277,789,289
Intangible Assets		**38,347,678**	25,348,855
Capital Work in Progress		**1,948,611,594**	2,137,772,709
Goodwill On Account of Consolidation		**260,420,350**	-
Non- Current Investments	11	**1,390,075,778**	1,807,163,896
Deferred Tax Assets (Net)	12	**1,108,410,097**	1,047,326,546
Long Term Loans & Advances	13	**3,389,748,644**	2,356,230,058
Other Non- Current Assets	14	**424,982,596**	528,042,360
Current Assets			
Current Investments	15	**209,687,933**	190,000,000
Inventories	16	**13,239,618,755**	11,783,085,843
Trade Receivables	17	**3,200,666,503**	2,192,053,467
Cash and Cash Equivalents	18	**1,956,042,789**	920,090,232
Short-Term Loans and Advances	13	**2,168,813,201**	1,967,054,559
Other Current Assets	19	**197,483,648**	180,897,470
		73,011,442,113	66,412,855,284
Significant Accounting Policies and Notes on Financial Statements	1 to 49		

As per our report of even date

For A.M.Ghelani & Company
Chartered Accountants
FRN : 103173W

Chintan A. Ghelani
Partner
M. No.:104391

For Chaturvedi & Shah
Chartered Accountants
FRN : 101720W

Jignesh Mehta
Partner
M. No.:102749

For and on behalf of the Board of Directors

Ashokkumar Ruia
(Chairman & Managing Director)
DIN - 00086762

Shishir Shrivastava
(Jt. Managing Director)
DIN - 01266095

Atul Ruia
(Jt. Managing Director)
DIN - 00087396

Pradumna Kanodia
(Director - Finance)
DIN - 01602690

Puja Tandon
(Company Secretary)
M.No.A21937

Place : Mumbai
Date: 13th May, 2016

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2016

Particulars	Notes	₹	2015-2016 ₹	2014-2015 ₹
INCOME				
Revenue from Operations	20		**17,785,551,113**	16,533,238,718
Other Income	21		**312,030,472**	312,337,755
Total			**18,097,581,585**	16,845,576,473
EXPENDITURE				
Cost of Materials/Construction	22		**4,329,888,935**	3,116,226,474
Change in Inventory	23		**(1,483,070,897)**	(302,963,606)
Employee Benefits Expense	24		**1,232,729,664**	914,550,098
Depreciation and Amortistion	25		**1,772,813,574**	1,680,650,234
Finance Costs	26		**4,305,112,021**	3,956,092,799
Other Expenses	27		**5,805,661,944**	5,185,820,067
Total			**15,963,135,241**	14,550,376,066
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX			**2,134,446,344**	2,295,200,407
Add/(Less): Exceptional Item	28		**(387,274,192)**	(938,031,366)
PROFIT BEFORE TAX			**1,747,172,152**	1,357,169,041
Less : Provision for Taxation				
Current Income Tax		1,069,580,650		974,549,770
Deferred Tax		(52,984,167)		(180,950,612)
Minimum Alternate Tax (refer note no.47)		(270,725,170)		(268,539,039)
Tax Adjustments of earlier years		(120,043)	**745,751,270**	(31,872,961)
PROFIT AFTER TAX			**1,001,420,882**	863,981,883
Add : Share of Profit/(Loss) in Associates			**16,797,579**	43,231,806
Less : Share of Minority			**202,757,930**	552,922,725
PROFIT AFTER TAX AND MINORITY INTEREST			**815,460,531**	354,290,964
Basic and Diluted EPS (Face Value of ₹2 each)	32			
Basic EPS (Face Value of ₹2 each)			**5.42**	2.45
Diluted EPS (Face Value of ₹2 each)			**5.41**	2.44
Significant Accounting Policies and Notes on Financials Statements	1 to 49			

As per our report of even date

For A.M.Ghelani & Company
Chartered Accountants
FRN : 103173W

Chintan A. Ghelani
Partner
M. No.:104391

For Chaturvedi & Shah
Chartered Accountants
FRN : 101720W

Jignesh Mehta
Partner
M. No.:102749

For and on behalf of the Board of Directors

Ashokkumar Ruia
(Chairman & Managing Director)
DIN - 00086762

Shishir Shrivastava
(Jt. Managing Director)
DIN - 01266095

Atul Ruia
(Jt. Managing Director)
DIN - 00087396

Pradumna Kanodia
(Director - Finance)
DIN - 01602690

Puja Tandon
(Company Secretary)
M.No.A21937

Place : Mumbai
Date: 13th May, 2016

Consolidated Cash Flow Statement

for the year ended on 31st march 2016

			2015-2016		2014-2015
		₹	₹	₹	₹
A CASH FLOWS FROM OPERATING ACTIVITIES					
Net Profit before tax as per the Profit and Loss Account			**1,747,172,152**		1,357,169,041
Adjustments for :					
Depreciation		**1,772,813,574**		1,680,650,234	
(Profit)/Loss on Assets sold/discarded		**(782,997)**		(18,407,894)	
Balances in Debtors/Advances written off		**36,196,452**		71,705,913	
Provision for Doubtful Debts and Advances		**304,975,489**		231,961,537	
Interest Expenses		**4,305,112,021**		3,956,092,799	
Interest Income		**(187,656,060)**		(178,786,659)	
Dividend Income		**(5,374,141)**		(24,993,651)	
Profit on sale of Investments		**(67,082,271)**		(69,585,890)	
Investments Impairment [Exceptional]		**387,274,192**		938,031,365	
Miscellaneous Expense written off		**12,509,114**		5,280,319	
Balances written back		**(40,811,641)**		(2,917,289)	
			6,517,173,732		6,589,030,784
Operating Cash flow before working capital changes			**8,264,345,884**		7,946,199,826
Adjustment for Working Capital changes :					
Trade and other Receivables		**(1,230,741,703)**		(1,594,499,373)	
Inventories		**(1,456,532,912)**		(366,563,280)	
Trade and other Payables		**773,712,443**		541,992,630	
			(1,913,562,172)		(1,419,070,023)
Cash generated from Operations			**6,350,783,712**		6,527,129,803
Direct Taxes Paid			**(1,677,753,269)**		(890,931,110)
Net Cash from Operating Activities	A		**4,673,030,443**		5,636,198,692
B CASH FLOWS FROM INVESTING ACTIVITIES					
Additions/Purchases of Fixed Assets		**(3,802,266,527)**		(1,200,380,892)	
Advance for Fixed Assets (Given) / Refunded		**178,975,186**		808,005,754	
Sale of Fixed Assets		**5,654,985**		126,134,549	
Inter Corporate Deposits & Loans (placed)/ refunded (Net)		**(585,369,061)**		40,779,049	
Purchase of Investments		**(3,449,734,510)**		(2,473,675,820)	
Sale of Investments		**47,394,338**		1,148,177,358	
Debenture / Share Application Money (Given) / Refunded				326,362,544	
Interest Received		**175,583,517**		178,786,855	
Dividend Received		**5,374,141**		24,993,651	
Net Cash generated from/(used in) Investing Activities	B		**(7,424,387,931)**		(1,020,816,952)

		2015-2016		2014-2015
		₹	₹	₹
C CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from long term borrowings		**15,754,627,596**	13,010,555,285	
Repayment of long term borrowings		**(9,941,004,086)**	(12,808,709,739)	
Short term loans availed / (repaid)(Net)		**160,674,657**	(239,904,220)	
Interest paid		**(4,348,232,694)**	(4,016,623,991)	
Application Money received/(refunded NET)			(149,800,000)	
Issue of Equity shares		**2,760,922,247**	30,056,114	
Dividend paid (including tax on Dividend)		**(721,786,124)**	(371,926,348)	
Net Cash generated from/(used in) Financing Activities	C		**3,665,201,596**	(4,546,352,899)
D Net Increase/(Decrease) in Cash and Cash Equivalents	A+B+C		**913,844,108**	69,028,841
Cash and Cash equivalents at the beginning of the year			**920,090,233**	851,061,391
Add : Acquisition of New Subsidiaries			**122,108,448**	
Cash and Cash equivalents at the end of the year (Refer Note No. 18)			**1,956,042,789**	920,090,233

Note : **The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 "Cash Flow Statements" as notified by the Companies (Accounting Standards) Rules 2006.**

For A.M.Ghelani & Company
Chartered Accountants
FRN : 103173W

For Chaturvedi & Shah
Chartered Accountants
FRN : 101720W

For and on behalf of the Board of Directors

Chintan A. Ghelani
Partner
M. No.:104391

Jignesh Mehta
Partner
M. No.:102749

Ashokkumar Ruia
(Chairman & Managing Director)
DIN - 00086762

Shishir Shrivastava
(Jt. Managing Director)
DIN - 01266095

Atul Ruia
(Jt. Managing Director)
DIN - 00087396

Pradumna Kanodia
(Director - Finance)
DIN - 01602690

Place : Mumbai
Date: 13th May, 2016

Puja Tandon
(Company Secretary)
M.No.A21937

Consolidated Notes

on financial statements for the year ended 31st March, 2016

NOTE 1

SIGNIFICANT ACCOUNTING POLICIES

I. Principles of consolidation

a) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".

b) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.

c) Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

d) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

e) In case of associates where the company directly or indirectly through subsidiaries holds more than 20% of equity, Investments in associates are accounted for using equity method in accordance with Accounting Standard (AS) 23 - "Accounting for investments in associates in consolidated financial statements".

f) The Company accounts for its share in the change in the net assets of the associates, post acquisition, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Statement of Profit and Loss to the extent such change is attributable to the associates' Statement of Profit and Loss and through its reserves for the balance, based on the available information.

g) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.

h) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

II. Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 "Accounting for Investments".

III. Other significant accounting policies

a) Use of estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses for the reporting period. The difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

b) Classification of Assets and Liabilities as Current and Non – Current

All assets and liabilities are classified as current or non-current as per Company's normal operating cycle, and other criteria set out in Schedule II to the Companies Act, 2013 and accordingly, 12 months period has been considered by the Company as its normal operating cycle for the purpose of classification of assets and liabilities as current and non- current.

c) Fixed Assets:

i) Fixed Assets are stated at cost net of cenvat credit and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any.

ii) Expenditure incurred on construction/erection of assets, which are incomplete as at balance sheet date, are included in Capital work in progress.

iii) Assets Taken on Finance Leases: Present value of future Lease Rentals is capitalised as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to Statement of Profit and Loss.

d) Depreciation:

i) Leasehold land is amortized over the period of lease.

ii) Depreciation on other fixed assets (excluding land and lease land in perpetuity) is provided on written down value method as per the useful life specified in schedule II to the Companies Act, 2013, in the manner state therein. In some of the Subsidiaries, the Depreciation is provided on the straight line method as per the useful life specified in schedule II to the Companies Act, 2013, in the manner state therein.

iii) In respect of certain revalued assets of holding company, (land, buildings and plant & machinery) depreciation has been calculated on the revalued figures as per the rates and in the manner specified by the valuers in their Revaluation Report.

iv) High end operating supplies forming part of hotel opening supplies are depreciated over a period of three years on straight line method.

v) Software and Goodwill arising on acquisition are amortized over a period of five years.

e) Impairment of Assets:
In accordance with AS 28 on "Impairment of Assets", where there is any indication of impairment of the company's assets related to cash generating units, the carrying amounts of such assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of such assets is estimated as the higher of its net selling price and its value in use. An impairment loss is recognised whenever the carrying amount of such assets exceeds its recoverable amount. Impairment Loss, if any, is recognised in the Statement of Profit and Loss.

f) Investments:
Long term investments are valued at cost of acquisition less diminution if any, of a permanent nature. Current Investments are stated at cost or market/fair value whichever is lower.

g) Inventories:

i) Inventories are valued at lower of cost or net realisable value. Cost is determined on FIFO basis.

ii) Cost of realty construction / development includes all costs directly related to the project and other expenditure as identified by the management which are incurred for the purpose of executing and securing the completion of the Project (net off incidental recoveries/receipts).

iii) Stock of food, beverages, stores and operating supplies are valued at lower of cost (computed on weighted average basis) and net realizable value.

h) Borrowing Costs:
Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

i) Revenue recognition:

i) Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection. License fees, rental income and service charges are recognised based on contractual rights. Interest is recognised on time proportion basis. Dividend income is recognised when the right to receive the same is established.

ii) Revenue from sale of properties under construction is recognized on the basis of percentage of completion method subject to transfer of significant risk and rewards to the buyer and outcome of the real estate project can be estimated reliably. Percentage of completion is determined with reference to the entire project cost incurred versus total estimated project cost determined based upon the judgment of management. Accordingly, cost of construction / development is charged to Statement of Profit and Loss in proportion to the revenue recognized during the year and balance costs are carried as part of 'Project Work in Progress' under inventories. Amounts receivable/received are reflected as Debtors/Advances from Customers, respectively, after considering income recognized in the aforesaid manner. The estimates of saleable area and costs are revised periodically by the management and are considered as change in estimate accordingly, the effect of such changes to estimates is recognized in the year when such changes are determined.

iii) Revenue from sale of completed properties (Finished Realty Stock) is recognised upon the transfer of significant risks and rewards to the buyer.

iv) Revenues from hotel component of Sale of rooms, banquets, foods and beverages, allied services relating to hotel operations are recognised upon rendering of the service.

j) Employee Benefits:

i) Short term employee benefits are recognised as expenses at the undiscounted amounts in the Statement of Profit & Loss of the year in which the related service is rendered.

ii) Post employment and other long term employee benefits are recognised as an expense in the Statement of Profit & Loss for the year in which the employee has rendered services. The expenses are recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits [net of expected return on plan assets] are charged to the Statement of Profit & Loss.

k) Foreign Currency transactions:

a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction. Monetary items denominated in foreign currencies at the Balance Sheet date are restated at the year-end rates. Non monetary foreign currency items are carried at cost.

b) Exchange differences arising as a result of the subsequent settlements or on translations are recognised as income or expense in the Statement of Profit and Loss.

c) In accordance with option given by the Ministry of Corporate Affairs vide Notification No F. No 17/133/2008/CL-V dated 29th December 2011, the exchange differences arising on reporting of long term foreign currency monetary items at rates different from those at which they were initially recorded during the period, in so far as they relate to acquisition of a depreciable capital asset, are added to or deducted from the cost of the asset and will be depreciated over the balance life of the asset, and in other cases are accumulated in ''Foreign Currency Monetary Item Translation Difference Account" in the Company's financial statements and amortized over the balance period of such long-term asset / liability by recognition as income or expense in each of the periods. In accordance with circular no 25/2012 dated 9th August 2012 issued by Ministry of Corporate Affairs, no portion of exchange difference adjusted to capital assets in accordance with paragraph 46A of Accounting Standard 11 is regarded as an adjustment to interest costs in terms of paragraph 4(e) of Accounting Standard AS 16 Borrowing costs.

l) Securities issue expenses:

Expenses in connection with issue of securities are adjusted against securities premium account.

m) Taxes on Income:

i) Provision for income tax (current tax) is determined on the basis of the taxable income of the current year in accordance with the Income Tax Act, 1961.

ii) Deferred tax is recognised in respect of deferred tax assets (subject to the consideration of prudence) and deferred tax liabilities on timing differences, being the difference between taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years.

iii) Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

In the year in which the Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement".

The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will be able to utilise the MAT Credit Entitlement within the period specified under the Income-tax Act, 1961

n) Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the Notes on Accounts. Contingent Assets are neither recognised nor disclosed in the financial statements.

o) Loyalty Program:

Contribution to loyalty programs, if any calculated as per agreed percentages of qualifying revenues that are accounted on a monthly basis.

NOTE 2

Particular	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Share Capital		
Authorised		
225,000,000 (P.Y. 225,000,000) Equity Shares of ₹ 2/- each	**450,000,000**	450,000,000
Issued, subscribed and paid up		
152,988,852 (P Y. 144,956,695) Equity Shares of ₹ 2 each fully paid up	**305,977,704**	289,913,390
	305,977,704	289,913,390
a) Equity Shares have been reserved for allotment under The Phoenix Mills Employees' Stock Option Plan 2007.	**3,390,000**	3,390,000
b) Equity Options granted under 'The Phoenix Mills Employees' Stock Option Plan 2007 :		
As at begining of the year (on cumulative basis)	**644,306**	650,000
Options Granted during the year	**-**	105,556
Options Exercised during the year	**40,250**	111,250
	604,056	644,306
Options Lapsed till date, available for regrant	**425,000**	425,000
	179,056	219,306

c) Reconciliation of number of shares outstanding is set out below:-

Equity Shares		
Shares outstanding at the beginning the year	**144,956,695**	144,845,445
Add : Issued during the year on exercise of employee options	**40,250**	111,250
Add : Issued during the year under Qualified Institutional Placement	**7,991,907**	-
Shares outstanding at the end of the year	**152,988,852**	144,956,695

d) **Terms and Rights attached to equity shareholders:-**

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

e) Details of shareholders holding more than 5% Shares in the company

	31st March, 2016		**31st March, 2015**	
Name of Shareholder	**No. of Shares**	**% of Holding**	**No. of Shares**	**% of Holding**
Ruia International Holding Company Private Limited	**49,347,248**	**32.26**	49,207,037	33.95
Senior Holdings Private Limited.	**15,490,049**	**10.12**	15,142,550	10.45
Radhakrishna Ramnarain Private Limited.	**11,667,800**	**7.63**	11,617,930	8.01
Ashok Apparels Private Limited.	**9,670,665**	**6.32**	9,670,665	6.67

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

NOTE 3

	₹	**As at 31st March, 2016** ₹	₹	As at 31st March, 2015 ₹
RESERVES & SURPLUS				
Capital Reserves				
As per Last Balance Sheet	**18,525,299**		18,413,824	
Add:- Capital Reserve on Assets acquired	-		111,475	
		18,525,299		18,525,299
Securities Premium Account				
As per Last Balance Sheet	**10,689,078,354**		10,659,263,354	
Add:- On Issue of Shares	**2,820,741,501**			
Less:- Expense On Issue of Shares	**(77,237,310)**		29,815,000	
		13,432,582,545		10,689,078,354
Revaluation Reserve				
As per Last Balance Sheet	**102,888,921**		103,886,842	
Less:Additional Depreciation on Revaluation of Assets transferred to Profit & Loss Account	-		997,921	
		102,888,921		102,888,921
Share Options Outstanding Account	-		-	
As per last Balance Sheet	**18,614**		-	
Add: On ESOPs Cost for the Year	**1,353,742**		18,614	
		1,372,356		18,614

		As at 31st March, 2016		As at 31st March, 2015
	₹	₹	₹	₹
General Reserve				
As per Last Balance Sheet	**2,291,836,234**		2,091,836,233	
Add: Transfer from Profit & Loss Account	-		200,000,000	
		2,291,836,234		2,291,836,233
Capital Reserve (on Consolidation)		-		1,201,506,082
Surplus/(defecit) in the statement of profit and loss				
As per Last Balance Sheet	**2,143,138,908**		2,390,509,508	
Net Profit/(Net Loss) For current year	**815,460,531**		354,290,964	
Less : Appropriations				
Interim Dividend	**(267,370,001)**			
Proposed Dividends - Final (Dividend Per Share ₹ 2.2 (P.Y. ₹ 2.2))	**(86,515,729)**		(318,904,723)	
Tax on Proposed Dividends	**(71,624,262)**		(65,421,352)	
Transfer to General Reserves	-		(200,000,000)	
Adjustment of depreciation as per transitional provision of Part C paragraph 7 (b) of Schedule II of the Companies Act , 2013	-		(17,335,484)	
		2,533,089,458		2,143,138,908
Total		**18,380,294,813**		16,446,992,411

NOTE 4

	As at 31st March, 2016		As at 31st March, 2015	
	Non Current	**Current**	Non Current	Current
	₹	₹	₹	₹
LONG TERM BORROWINGS				
SECURED				
Loan From Financial Institution	**917,015,200**	**39,729,700**	1,694,600,479	431,530,500
Loan From Banks				
Term Loan - Indian Rupees	**28,129,804,786**	**2,619,068,404**	24,859,203,667	2,946,301,166
Term Loan - Foreign Currency	-	-	1,204,872,900	164,301,476
Vehicle Loans	**6,454,161**	**3,192,969**	3,752,090	1,920,080
4,500 (P.Y Nil) 9.95% Non- Convertiable Debentures of ₹ 10,00,000 each	**4,500,000,000**	-	-	-
UNSECURED				
Debentures issued by subsidiaries				
635,294 (P.Y. 635,294) Zero Coupon Compulsory Convertible Debentures Series "A" of ₹ 100 each	**63,529,400**	-	63,529,400	-
769,440 (P.Y. 769,440) Zero Coupon Compulsory Convertible Debentures Series "B" of ₹ 100 each	**76,944,000**	-	76,944,000	-
407,703 (P.Y. 407,703) Zero Coupon Compulsory Convertible Debentures Series "D" of ₹ 100 each	**40,770,300**	-	40,770,300	-
176,600 (P.Y. 176,600) 0.0001% Series A Optinally Convertible Debentures of ₹ 100 each	-	**17,660,059**	-	17,660,000
1 (P.Y. 1) Zero Coupon Non Convertible Fully Redeemable Non Transferrable Debentures series "F"	**230,000,000**	-	230,000,000	-
166,483 (P.Y. 166,483) Zero Coupon Compulsory Convertible Debentures Series "G" of ₹ 100 each	**16,648,300**		16,648,300	

	As at 31st March, 2016		As at 31st March, 2015	
	Non Current	**Current**	Non Current	Current
	₹	₹	₹	₹
227,785 (P.Y.Nil) Zero Coupon Compulsory Convertible Debentures Series "H" of ₹ 100 each	**22,778,500**			
Less: Amount disclosed under the head "Other Current Liabilities" (Note 9)		**(2,679,651,132)**		(3,561,713,222)
	34,003,944,647	-	28,190,321,136	-

A) i) Term Loans of ₹ 5,765,540,334 (P.Y ₹ 5,753,099,996) of The Phoenix Mills Limited by Equitable Mortgage of deposit of Title deeds in respect of certain immovable properties situated at High Street Phoenix, Senapati Bapat Marg , Lower Parel, Mumbai and by hypothecation of rentals receivable from licencees.

ii) Term Loan of ₹ 4,574,000,000 (P.Y. ₹ 3,576,000,000) of Vamona Developers Pvt Ltd, secured by future Lease Rent Receivables and a pari passu charge over the land and building of the Mall i.e. Phoenix Marketcity at Viman Nagar, Pune.

iii) Loans of ₹ 5,335,129,332 (P.Y ₹ 5,718,745,047) for Pallazzio Hotels & Leisure Limited, are secured by Equitable Mortgage of deposit of title deeds in respect of certain immovable properties goods, movable properties, including movable machinery, machinery spares, tools and accessories both present and future.

iv) Term Loans of ₹ 1,660,526,312 (P.Y ₹ 1,859,839,074) of Upal Developers Private Limited and Blackwood Developers Private Limited are secured by Equitable motgage of Shopping Mall and Multiplex Complex known as Phoenix United Mall, Barelly and assignement of future rental and personal gurantees of the Promoter Directors of the company.

v) Loans of ₹ 1,05,00,00,000 (P.Y. 1,22,00,00,000) for Graceworks Realty & Leisure Private Limited, is secured by first and exclusive registered mortgage of immovable property situated at Kurla (Mumbai), and hypothecation of lease rental, lease deposit and sales proceeds.

vi) Loans of ₹ 4,668,287,885 (P.Y. 3,299,824,661) for Island Star Mall Developers Private Limited,are secured on paripassu basis by equitable mortgage of immovable properties namely 'Mall Building' and 'Multiplex Building', admeasuring approximately 93,529 sq. mts. in aggregate, alongwith an undivided interest to the extent of approximately 21,915.59 Sq. Mts. in the land appurtenant to the said structures forming an undivided part of the plot area of approximately 59,995 sq. mts., situated at Whitefield, Bengaluru and hypothecation of lease rental/ sales receivable from retailers and lien on the DSRA/ ESCROW Account.

vii) Loans of ₹ 7,206,553,871 (P.Y. 6,693,766,500)for Offbeat Developers Private Limited are secured by pari passu charge over specified area of land and building of Retail mall and first pari passu charge on escrow of lease rental from mall. Further Loans of ₹ 1,250,000,000 (P.Y ₹ 545,500,000) is secured by exclusive charge by way of registered mortgage on entire land of phase II (Orion Park) along with the super structures built thereon (present and future) and on all moveable fixed assets and current assets including receivables/future receipts and excrow receipts pertaining to Orion Park project.

viii) Out of total Loans of ₹ Nil (P.Y. 2,996,545,700)for Classic Mall Developers Private Limited, Loans of ₹ Nil (P.Y. 2,796,545,752) is secured by undivided share of 34,136.72 sq. mtr. out of larger extent of Land admeasruing 66,915.10 sq. mtr. situated at 142, Velachery Road, Cheenai. Further the loan is secured by way of hypothecation of the company's movable tangible & intangible assets (both present & future) with respect to Mall Building, receivables, insurance policy, and charge on company's ESCROW account for the facility and tbe balance Loan of ₹ Nil (P.Y. 199,999,948) is secured by unsold units with carpet area of 48,456 sq. ft. & saleable area 60,012 Sq. ft.in Tower C Residential project alongwith proportinate land admeasuring total area 1,950 sq. mtrs. Further, the loan is secured by first and exclusive charge by way of hypothecation of future receivables of mortgaged property through Escrow mechanisum.

ix) Loans of ₹ 119,869,912 (P.Y. 180,000,000) for Alliance Spaces Private Limited is Secured by future receivables against sale consideration and property being an aggregate area admeasuring 3,28,106 sq. ft. saleable area which will comprise of two buildings constructed/to be constructed alongwith un-demarcated and undivided pieces or parcels of non-agricultural freehold land admeasuring 10,322.27 square meters.

x) Loans of ₹ 1,325,710,443 (P.Y. Nil) for Gangetic Hotels Private Limited is Secured by first charge by way of mortgage of land building, structures thereon and other immovable properties, present and future of the company and hypothecation of all movable assets on parri passu basis with other term lenders and first parri-passu charge on all bank accounts of the project and personal guarantee of two directors of the company

b. Vehicle Loans are secured by the hypothecation of respective vehicles.

c Maturity Profile of Long Term Borrowings are as under:

1) Repayment of Loans from Financials Institutions will be as under:

Island Star Mall Developers Private Limited will repay loans of ₹ 824,310,328 as follows, FY 2016-2017 ₹ 39,729,700, FY 2017-2018 ₹ 52,072,500, FY 2018-2019 ₹ 66,110,400, FY 2019-2020 ₹ 80,148,300, FY 2020-2021 ₹ 95,298,300, FY 2021-2022 ₹ 112,373,400, FY 2022-2023 ₹ 131,673,200, FY 2023-2024 ₹ 153,427,300, FY 2024-2025 ₹ 45,448,528, FY 2025-2026 ₹ 48,028,700

2) Repayment of Loans from Banks will be as under:

i) Phoenix Mills Limited will repay the loans of ₹ 5,765,540,334 as follows FY 2016-2017 ₹ 530,080,338, FY 2017-2018 ₹ 590,810,000, FY 2018-2019 ₹ 662,950,000, FY 2019-2020 ₹ 743,220,000, FY 2020-2024 ₹ 3,238,479,996

ii) Pallazzio Hotels & Leisure Limited will repay loans of ₹ 5,335,129,332 as follows FY 2016-2017 ₹ 143,616,062, FY 2017-2018 ₹ 143,000,000, FY 2018-2019 ₹ 229,670,265, FY 2019-2020 ₹ 299,005,398, FY 2020-2021 ₹ 368,340,530, FY 2021-2022 ₹ 424,675,663, FY 2022-2023 ₹ 260,010,796, FY 2023-2024 ₹ 303,345,928, FY 2024-2025 ₹ 390,016,194, FY 2025-2026 ₹ 390,016,194, FY 2026-2027 ₹ 476,686,459, FY 2027-2028 ₹ 563,356,725, FY 2028-2029 ₹ 650,026,990, FY 2029-2030 ₹ 693,362,123,

iii) Vamona Developers Private Limited will repay loans of ₹ 3,576,000,000 in eight years starting from FY 2013 - 14 in the ratio of 1.24%, 4.18%, 5.60%, 7.11%, 8.67%, 10.77%, 13.07% & 49.37% & Loan of 1,000,000,000 repayable in five years starting from Financial Year 2016-17 in the ratio of 1.82%, 5.65%, 6.72%, 8.88% & 76.93% respectively.

iv) Upal Developers Private Limited will repay loans of ₹ 724,364,777 in 107 accelerated monthly instalments from Oct, 2010 to August, 2019; Rate of interest as on 31-03-2016 is 11.75% p.a.and Loan of ₹ 5 Crore is repayable in 84 accelerated monthly instalments from July, 2013 to June, 2020; Rate of interest as on 31-03-2016 is 11.75% p.a. Loan of ₹ 4 Crore is repayable in 74 accelerated monthly instalments from Sept, 2013 to Oct, 2019; Rate of interest as on 31-03-2016 is 11.75% p.a.

v) Blackwood Developers Private Limited will repay loans of ₹ 936,161,535 in 120 accelerated equated monthly instalments from April, 2012 to March, 2022 and loan of ₹ 8 Crores carries interest @ 1.50% above Base Rate (Presently 11.75% p.a.), Repayable in 120 accelerated equated monthly instalments from July, 2013 to June, 2023)

vi) Graceworks Realty & Leisure Private Limited will repay loans of ₹1,05,00,00,000 as follows 2016-17 ₹ 680,000,000, 2017-18 ₹ 370,000,000

vii) Island Star Mall Developers Private Limited will repay loans of ₹ 3,843,977,557 as follows, FY 2016-2017 ₹ 185,270,300, FY 2017-2018 ₹ 242,827,500, FY 2018-2019 ₹ 308,289,600, FY 2019-2020 ₹ 373,751,700, FY 2020-2021 ₹ 444,401,700, FY 2021-2022 ₹ 524,026,600, FY 2022-2023 ₹ 614,026,800, FY 2023-2024 ₹ 715,472,700, FY 2024-2025 ₹ 211,939,357, FY 2025-2026 ₹ 223,971,300

viii) Offbeat Developers Private Limited will repay loans of ₹ 7,206,553,871 as follows, FY 2017-2018 ₹ 840,453,336, FY 2018-2019 ₹ 959,380,000, FY 2019-2020 ₹ 810,733,332, FY 2020-2021 ₹ 698,103,332 FY 2021-2022 ₹ 877,226,668, FY 2022-2023 ₹ 1,039,969,996, FY 2023-2024 ₹ 1,088,466,664, FY 2024-2025 ₹ 639,423,875

ix) Gangetic Hotels Private Limited will repay loan of ₹ 86,0100,000 repayable in 32 unequal quarterly instalments commencing from October 2014 and ending on July 2022; Rate of interest as on 31-03-2016 is 12.00% p.a. & loan of ₹ 540,000,000 Lacs repayable in 43 unequal quarterly instalments commencing from 30.06.2016 and ending 31.12.2026; Rate of interest as on 31-03-2016 is 11.80 % p.a.

3) Vehicle Loans are repayable within 3 to 5 years.

d Terms & Conditions of Debentures are as under :

I) Secured

i) Classic Mall Developers Private Limited has issued 4,500, 9.95% Non convertible Debentures "Series 1" of face value of ₹ 1,000,000 each at par. The Debentures are redeemable after 84 months from the date of allotment i.e. 19.08.2015. The company has an option to redeem these debentures earlier by giving 10 days notice; however, no redemption will take place before the end of 15th day of the 12th month from the date of allotment. The debentures are secured by registered

first ranking equitable pari-passu mortgage on the undivided share of 34,136.72 sq. mtr. out of larger extent of land admeasuring 66,915.90 sq. mtr. situated at 142, Velachery Road, Chennai. Further the loan is secured by exclusive and first ranking charge on the Charged Accounts, all Permitted Investments and the Receivables.

II) Unsecured

i) Pallazzio Hotels & Leisure Limited has issued zero coupon fully redeemable non convertible unsecured debentures "Series F" to body corporate of ₹ 230,000,000 each with an underlying right to occupy the certain portion of Company's premises. The Company has an option but not an obligation to redeem the series F debentures, only collectively during the option window period of three months from (a) the expiry of 7 years from the date of which Company receives all the statutory approvals to commence business and the debenture holders are allowed to take possession upon payment of the face value of the debentures along with the premium which will be computed as per the terms mentioned in the debenture certificate [for each 12 month period commencing from the date of issue of debentures till redemption] by the Company at an annualized rate equivalent to the average interest rate by the lenders for that year plus 2.5%, quarterly compounded (b) the expiry of 14 years from the date of which Company receives all the statutory approvals to commence business and the debenture holders are allowed to take possession upon payment of the face value of the debentures along with the premium which will be computed as per the terms mentioned in the debenture certificate [for each 12 month period commencing from the date of issue of debentures till redemption] by the Company at an annualized rate equivalent to the average interest rate by the lenders for that year plus 2%, quarterly compounded.

ii) Pallazzio Leisure & Hotel Limited has issued 769,440, Non Cumulative Unsecured Compulsory Convertible Debentures "Series B" of face value of ₹ 100 each at a premium of ₹ 1,721.66 per debenture. As per debenture certificate, the investors have the option to convert each debenture into one equity share of the Company of ₹ 100 each at any time on or after 1st April, 2015. The debenture shall carry zero coupon till 31st March, 2015 and for the period of non conversion after 31st March, 2015 the instrument may be entitled to coupon rate of not more than 2% p.a., as may be decided by the Company. The Company shall not declare any dividend or other distribution to the holders of the equity shares of the Company. However, in the event of such declaration, the Company will be obliged to pay interest at the same rate as the dividend declared. On 1st April, 2017 each debenture will compulsorily convert into one equity share of ₹ 100 of the Company.

iii) Pallazzio Hotel & Leisure Limited has issued 407,703 Non Cumulative Unsecured Compulsory Convertible Debentures "Series D" of face value of ₹ 100 each at a premium of ₹ 664.26 per debenture. As per debenture certificate, the investors have the option to convert each debenture into one equity share of the Company of ₹ 100 at any time on or after 1st April, 2016. The debenture shall carry zero coupon till 31st March, 2016 and for the period of non conversion after 31st March, 2016 the instrument may be entitled to coupon rate of not more than 2% p.a., as may be decided by the Company. The Company shall not declare any dividend or other distribution to be paid to the holders of the equity shares of the Company. However, in the event of such declaration, the Company will be obliged to pay interest at the same rate as the dividend declared. At the end of the 7th year from the date of the issue, each debenture will compulsorily convert into one equity share of ₹ 100 each of the Company.

iv) Pallazzio Hotel & Leisure Limited has issued 635,294 Non Cumulative Unsecured Compulsory Convertible Debentures "Series A" of face value of ₹ 100 each at a premium of ₹ 664.26 per debenture. As per debenture certificate, the investors have the option to convert each debenture into one equity share of the Company of ₹ 100 at any time on or after 1st April 2016. The debenture shall carry zero coupon till 31st March, 2016 and for the period of non conversion after 31st March, 2016, not more than 2% p.a., as may be decided by the Company. The Company shall not declare any dividend or other distribution to be paid to the holders of the equity shares of the Company. However, in the event of such declaration, the Company will be obliged to pay interest at the same rate as the dividend declared. At the end of the 10th year from the date of the issue, each debenture will compulsorily convert into one equity share of ₹ 100 of the Company.

v) Pallazzio Hotel & Leisure Limited has issued 166,483 Non Cumulative Unsecured Compulsory Convertible Debentures "Series G" of face value of ₹ 100 each at a premium of ₹ 1,312 per debenture. As per debenture certificate, the investors have the option to convert each debenture into one equity share of the Company of ₹ 100 at any time on or after 1st April 2015. The Company shall not declare any dividend or other distribution to be paid to the holders of the equity shares of the Company. However, in the event of such declaration, the Company will be obliged to pay interest at the same rate as the dividend declared. In the event investors does not convert the debentures prior to 31st March 2017, all the debentures shall automatically be converted into one equity share of the Company on 1st April 2017.

vi) Pallazzio Hotel & Leisure Limited has issued 227,785 Non Cumulative Unsecured Compulsory Convertible Debentures "Series H" of face value of ₹ 100 each at a premium of ₹ 1,240.50 per debenture. As per debenture certificate, the investors have the option to convert each debenture into one equity share of the Company of ₹ 100 at any time on or after 14th July 2016. The Company shall not declare any dividend or other distribution to be paid to the holders of the equity shares of the Company. However, in the event of such declaration, the Company will be obliged to pay interest at the same rate as the dividend declared. In the event investors does not convert the debentures prior to 13th July 2018, all the debentures shall automatically be converted into one equity share of the Company on 14th July 2018.

vii) Graceworks Realty & Leisure Private Limited has issued 176,600, 0.0001% Series A Optionally Convertible Debentures. The company has an option to convert into equity shares of the company on and after March 15, 2020. Each debenture is convertible into one equity shares of ₹ 10 each fully paid at a premium of ₹ 2400 on the date of conversion. The company has an option to redeem the shares in one or more tranches at the redemption premium not exceeding ₹ 10/- per Optionally Convertible Debenture.

NOTE 5

	As at 31st March, 2016		As at 31st March, 2015	
	₹	₹	₹	₹
Other Long - Term Liabilities				
Trade Payables				
Micro and Small Enterprises (Refer Note 44)	-		-	
Others	**96,315,487**		68,472,068	
		96,315,487		68,472,068
Security Deposit from Licencees		**2,740,501,893**		2,783,440,315
Other Deposit		**191,509,376**		128,484,394
Income Received in Advance		**35,671,016**		15,909,561
Unamortized portion of key money		**497,054,530**		-
Creditors for Capital Expenditure		-		7,353,983
		3,561,052,302		3,003,660,321

NOTE 6

	As at 31st March, 2016		As at 31st March, 2015	
	Non Current	**Current**	Non Current	Current
	₹	₹	₹	₹
Provision for Employee Benefits				
Gratuity	**20,019,518**	**3,928,327**	16,062,658	17,110,507
Leave Encashment	**22,271,440**	**25,790,618**	21,028,127	23,589,586
Other Provisions	-	**18,439,724**	-	97,500,000
Provision for Income Tax (Net of Advance Tax)	-	**1,037,859**	-	18,166,079
Proposed Dividend	-	**68,844,983**	-	318,904,729
Tax on Proposed Dividend	-	**14,015,219**	-	64,921,499
Provision for premium on redemption of zero coupon non convertible debentures series "F" **	**278,746,089**	**190,385,812**	184,347,143	-
	321,037,047	**322,442,542**	221,437,928	540,192,400

** The Subsidiary company Pallazzio Hotels & Leisure Ltd has an option but not an obligation to redeem the NCD collectively only during the specified window period along with redemption premium. Considering the long term nature of the instrument, other uncertainties as regards exercising of the option, the company is of the view that the event is contingent in nature. However in order to comply, with the requirements of the generally accepted accounting principles, the company has made a provision for redemption premium payable (if any) and the same is being adjusted against the securities premium account in accordance with section 52 of the Companies Act, 2013.

NOTE 7

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Short Term Borrowings:		
Secured		
Loan from Bank	**2,196,600,583**	1,226,626,184
Unsecured		
Commercial Papers	-	550,000,000
Loans and Advances from related parties	**226,079,268**	33,037,236
Loan from Others	**9,224,020**	461,565,794
	2,431,903,871	2,271,229,214

Out of total secured loan, Overdraft loan of ₹ 94,64,45,516 held by Phoenix mills Ltd are secured by Equitable Mortgage of deposit of Title deeds in respect of certain immovable properties situated at High Street Phoenix, Senapati Bapat Marg , Lower Parel, Mumbai and by hypothecation of rentals receivable from licencees. Cash Credit of ₹ 382,685,038 are secured on paripassu basis by equitable mortgage of immovable properties situated at Bengaluru and hypothecation of lease rental/ sales receivable from retailers and in lien on the DSRA/ escrow account. Bank Overdraft of ₹ 230,669,302 is secured by way of registered mortgage of Art Guild House project freehold land and the buildings and structures constructed and to be constructed thereon, with minimum security cover of 2X throughout tenor of loan. Loan of ₹ 267,341,044 is Secured By future Receivables against sale consideration of two buildings constructed/to be constructed alongwith un-demarcated and undivided pieces or parcels of non-agricultural freehold land. Cash Credit of ₹ 294,993,279 is Secured By future Lease Rent Receivables and a pari passu charge over land and building of the Mall i.e. Phoenix Marketcity at Viman Nagar, Pune. Loan of ₹ 45,199,383 is secured by way of registered mortgage, on all the immovable fixed assets land, proportionate FSI rights & building/structure(s) thereupon), both present & future of the project & on all the movable fixed assets, current assets and receivables (both present & future). Loan of ₹ 29,267,020 is secured by first charge by way of exculsive charge on company's current asset including stocks of food & beverages,consumables,miscellaneous items like crockery,cutlery, linen and receivables second charges on fixed assets (present & future) of the company and personal guarantee of two directors of the company.

NOTE 8

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Trade Payables		
Micro and Small Enterprises (Refer Note 45)	**2,524,647**	1,587,137
Others	**1,214,332,749**	1,048,595,871
	1,216,857,396	1,050,183,008

NOTE 9

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Other Current Liabilities		
Current maturities of long-term borrowings	2,679,651,132	3,561,713,222
Interest accrued but not due on borrowings	116,590,660	126,922,762
Interest accrued and due on borrowings	114,126,800	146,915,382
Other Payables		
Statutory Dues	437,793,951	272,817,011
Deposit/Advance received from Customers	2,981,164,856	3,078,686,994
Other Payable#	1,286,872,775	565,638,763
Creditors for Capital Goods	299,163,097	411,520,668
Income received in advances	20,984,691	6,362,918
Unpaid Dividends*	20,877,699	16,187,805
	7,957,225,661	8,186,765,525

* These figures do not include any amounts, due and outstanding to be credited to Investor Education & Protection Fund
# Others include Advance received against the sale/redemption of Investments of ₹ 191,880,000 (P.Y. ₹ 191,880,000) Refer Note No. 39

NOTE 10

	GROSS BLOCK					DEPRECIATION						NET BLOCK	
	As at 01.04.2015	Opening balances Acquired during the year	Additions	Deductions/ Adjustments	As at 31.03.2016	As at 01.04.2015	Acquired during the year	For the year	transfer to Retained earning	Deductions Adjustments	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
Tangible Assets													
Freehold Land	5,730,619,844	147,107,970	162,395,000	107,757,390	**5,932,365,424**	-	-	-	-	-	-	**5,932,365,424**	5,730,619,844
Right on Leasehold Land	69,761,432*		-	-	**69,761,432**	4,903,095		42,359	-	-	**4,945,454**	**64,815,978**	64,858,337
Buildings	30,005,815,934	890,783,915	684,162,579	14,816,559	**31,565,945,869**	2,552,977,199	97,488	698,222,155	-	313,472	**3,250,983,369**	**28,314,962,500**	27,452,838,736
Plant & Machinery	6,298,519,324	339,310,495	301,276,553	2,015,022	**6,937,091,350**	1,134,117,134	3,478,473	503,073,772	-	618,955	**1,640,050,425**	**5,297,040,925**	5,164,402,191
Leased -Plant & Machinery	-			-	-	-		-	-	-	-	-	-
Leasehold Improvements	83,693,976		287,000	-	**83,980,976**	25,983,970		6,045,815	-	-	**32,029,785**	**51,951,191**	57,710,006
Leased- Office Equipment	9,090,970		-	-	**9,090,970**	1,162,605		706,098	-	-	**1,868,703**	**7,222,267**	7,928,365
Motor Car, Lorries & Vehicles	73,666,763	2,885,430	17,200,170	7,688,842	**86,063,521**	39,224,410	576,158	9,177,525	-	6,397,690	**42,580,403**	**43,483,118**	34,442,353
Office Furniture &Equiptment	4,044,655,719	850,423,714	809,464,330	49,456,241	**5,655,087,521**	1,279,666,264	10,364,984	615,538,506	-	17,173,375	**1,888,396,378**	**3,766,691,144**	2,764,989,455
Total	46,315,823,962	2,230,511,524	1,974,785,632	181,734,054	**50,339,387,064**	5,038,034,677	14,517,102	1,832,806,230	-	24,503,492	**6,860,854,517**	**43,478,532,546**	41,277,789,287
Intangible Assets													
Software	46,927,887	12,261,583	11,594,261	63,840	**70,719,891**	22,943,165	-	11,432,365	-	18,710	**34,356,821**	**36,363,070**	23,984,721
Goodwill	1,705,166		-	-	**1,705,166**	341,033	-	341,033	-	-	**682,066**	**1,023,100**	1,364,133
Licenses and franchise	-	-	1,050,000	-	**1,050,000**	-		88,493	-	-	**88,493**	**961,507**	-
Total	**48,633,053**	**12,261,583**	**12,644,261**	**63,840**	**73,475,057**	**23,284,198**	**-**	**11,861,891**	**-**	**18,710**	**35,127,379**	**38,347,678**	**25,348,854**
Total (A+B)	**46,364,457,015**	**2,242,773,107**	**1,987,429,893**	**181,797,894**	**50,412,862,122**	**5,061,318,875**	**14,517,102**	**1,844,668,121**	**-**	**24,522,202**	**6,895,981,897**	**43,516,880,225**	**41,303,138,141**
Previous Year	45,060,183,228		1,822,156,860	517,883,068	**46,364,457,019**	3,363,549,071		1,681,577,120	28,013,617	11,820,933	**5,061,318,875**	**41,303,138,144**	41,696,634,158
Capital Work In progress												**1,948,611,594**	2,137,772,709

1) * Amount added on Revaluation (as at 31.03.1985) ₹ 18,48,43,610 (Net of Depreciation). Refer to Note No. 36
2) Depreciation on Right on Lease Hold Land represents write off on the basis of the period of the lease.
3) Lease Hold Land
   a) Includes land leased for period of 999 years as from 1951 renewal at the option for further like period.
   b) Includes ₹ 2,66,38,617 (as revalued) leased in perpetuity against which there is no writeoff required.
4) Capital Work in Progress includes pre-operative expenses of ₹ 304,838,455 (P. Y. ₹ 239,561,541). Refer to Note No. 34
5) In respect of Fixed Assets acquired by Classic Mall Development Private Limited and Island Star Mall Developers Private Limited on finance lease , the minimum lease rentals outstanding as on 31st March, 2016 are as follows:

	Total Minimum Lease payments outstanding As At 31st March		Future interest on outstanding Payments As At 31st March		Present Value of Minimum Lease Payments As At 31st March	
	2016	2015	2016	2015	2016	2015
Not later than one year	-	1,630,146	-	78,598	-	1,551,548
Later than one year but not later than five year	-	-	-	-	-	-
Later than five years	-	-	-	-	-	-
Total	-	1,630,146	-	78,598	-	1,551,548

6) In Pallazzio Hotels & Leisure Limited, the company had during the year exchange loss aggregating to ₹ 110,095,092 (P.Y ₹ 60,605,013) has been added to the cost of fixed assets (including transfer from opening Capital work in progress) in accordance with the option given by the ministry of corporate affairs vide notification number F.No 17/133/2008/CL-V dated 29th December 2011. The aggregate exchange loss capitaised is ₹ 512,739,699 (Previous year ₹ 40,264,460). The exchange loss is being depreciated over the balance useful life of the asset and the unamortised amount of the said exchange loss is ₹ 448,093,824 (Previous year ₹ 369,107,902).

7) *In Classic Mall Development Company Private Limited, land admeasuring 1,01,693 Sq. ft. agreggating of ₹ 262,863,433 relating to residential complex has been inventorised during the previous year.

8) * Land admeasuring 35,253.40 sq. mtrs (Cost ₹ 63,91,63,155) is jointly owned with Classic Housing Projects Private Limited and Starboard Hotels Private Limited representing approx. 60% of the undivided share of land.
Out of the above, 1117 sq. mtrs of land has been leased to Tamil Nadu Generation and Distribution Corporation Ltd. for setting up an electrical sub-station for a period of 99 years on an annual lease of ₹ 100/-.

9) Balance Useful Life of Intangible Assets of Pallazzio Hotels & Leisures Limited

Balance useful life of Intangible assets

Useful Life	As at 31st March, 2016	As at 31st March, 2015
Software	Ranging from 2-5 Years	Ranging from 3-5 Years
	15,080,409	13,286,043

10) c. In accordance with the arrangements entered into by the company, the Company has accounted for license fees of ₹ 56,582,013 (Previous year ₹ 50,833,245) [including amortization of non-refundable security deposit of ₹ 6,666,672 (Previous year ₹ 6,666,672) and contingent rent of ₹ 49,915,341 (Previous year ₹ 9,166,573)]. The minimum license fees receivable in next one year is ₹ 6,666,672 (Previous year ₹ 48,666,667) and later than one year and not later than five years is ₹ 17,777,762 (Previous year ₹ 180,194,444) and later than five years Nil.
The gross carrying amount and accumulated depreciation at the balance sheet date of the said premises is ₹ 156,099,384 (Previous year ₹ 154,598,901) and ₹ 13,571,026 (Previous year ₹ 7,152,467) respectively. Depreciation recognized in Statement of Profit and loss for the said premises during the year is ₹ 6,418,559 (Previous year ₹ 5,693,616).

11) In respect of Land purchased by Blackwood Developers Private Limited in 2008-09 for ₹ 31.05 lacs sale deed is pending for execution. However, pursuant to an 'Agreement for sale with possession' the land is in company's possession.

12) Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II from 1st April 2014. Accordingly the unamortised carrying value is being depreciated/ amortised over the revised/ remaining useful lives. The written down value of fixed Assets whose lives have expired as at 1st April 2014 of ₹ 28,013,617/-(Gross figure) have been adjusted net of tax of ₹ 17,335,484/- , in the opening balance of the Profit and Loss Account of FY 2014-2015.

NOTE 11

	As at 31st March, 2016		As at 31st March, 2015	
	₹	₹	₹	₹
Non Current Investments				
A) Trade Investments				
(i) Investment in Equity instruments				
Investment in Associates : Equity shares of ₹ 10/- each fully Paid up, unless otherwise stated.				
Unquoted				
5,000 (P.Y. 5,000) Classic Housing Projects Pvt. Ltd.	**101,318,854**		77,787,760	
2,500,000 (P.Y.2,500,000) Galaxy Entertainment India Ltd.	**25,000,000**		24,958,248	
NIL (P.Y. 2,070,800) Gangetic Hotels Pvt. Ltd. Subsidiary from 4/11/2015	-		104,170,000	
2,500,626 (P.Y. 2,500,626) Star Board Hotels Pvt. Ltd.	**24,353,584**		24,933,921	

	As at 31st March, 2016 ₹	₹	As at 31st March, 2015 ₹	₹
5,000 (P.Y. 5,000) Mirabel Entertainment Pvt Ltd.	**1,315,492**		1,842,630	
25,000 (P.Y. 25,000) Escort Developers Pvt. Ltd.	**15,950,000**		15,934,585	
		167,937,930		249,627,144
Quoted				
36,86,484 (P.Y. 36,86,484) Equity shares of ₹ 10/- each fully paid up of Galaxy Entertainment Corporation Ltd.		**49,926,606**		60,351,363
Others				
(P.Y. 10) Equity shares of ₹ 10/- each fully paid up of Treasure World Developers Pvt. Ltd.	**8,500**		8,500	
25,356,940 (P.Y. 25,356,940) Entertainment World Developers Ltd# (Refer Note No. 40)	**579,270,269**		579,270,269	
5,000 (P.Y. 5000) Bartraya Mall Development Co. Pvt. Ltd #	**50,000**		50,000	
		579,328,769		579,328,769
(ii) Investment in Preference shares				
Investment in Associates, ₹ 10 each fully paid up, unless otherwise stated.				
1,000,000 (P.Y. 1,000,000) 7% Cumulative Optionally Convertible Preference Shares fully paid up of Galaxy Entertainment India Ltd.	**10,000,000**		10,000,000	
250,000 (P.Y. 250,000) 7% Cumulative Optionally Convertible Preference Shares each Re. 0.50 paid up of Galaxy Entertainment India Ltd.	**125,000**		125,000	
		10,125,000		10,125,000
(iii) Investment in Debentures				
Investment in Associates:				
Compulsorily Fully Convertible Debentures (CCD)				
7,000 (P.Y. 7,000) CCD's in Mirabel Entertainment Pvt Ltd. Face value ₹ 100 each.	**700,000**		700,000	
351,564 (P.Y. 351,564) CCD's in Star Board Hotels Pvt Ltd. - Face value ₹ 100 each.	**35,156,410**		35,156,410	
34,000 (P.Y 34,000) 0.0001% - Escort Developers Pvt Limited - Face value ₹ 100 each.	**3,400,000**		3,400,000	
NIL (P.Y 224,000) 0.0001% - Savannah Phoenix (P) Limited - Face value ₹ 100 each. Associate upto 6th April 2015.	-		22,400,000	
1,383,999 (P.Y 1,383,999) 0.0001% - Star Board Hotels (P) Limited - Face value ₹ 100 each.	**138,399,900**		138,399,900	

	As at 31st March, 2016 ₹	₹	As at 31st March, 2015 ₹	₹
Optionally Convertible Debentures				
300,000 (P.Y. 300,000), 0.001% Series B Optionally Convertible Debentures of ₹ 100 each fully paid in Classic Housing Projects Pvt. Ltd.	**30,000,000**		30,000,000	
120,000 (P.Y. 120,000) 0.001% Series C Optionally Convertible Debentures of ₹ 100 each Fully paid in Classic Housing Projects Pvt. Ltd.	**12,000,000**		12,000,000	
Others:				
Compulsorily Fully Convertible Debentures				
66,500 (P.Y 66,500) 0.0001% - Phoenix Retail Pvt. Limited - Face value ₹ 100 each.	**6,650,000**		6,650,000	
38,545 (P.Y 38,545) 0.0001% - Vigilant Developers Pvt. Limited - Face value ₹ 100 each.	**3,854,540**		3,854,540	
NIL (P.Y. 7,250,000) Padmashil Hospitality Face Value of 10 Each	**-**		72,500,000	
4,000 (P.Y. 4,000) CCD's in ACME Hospitality Services Pvt Ltd. - Face value ₹ 100 each.	**400,000**		400,000	
7,000 (P.Y 7,000) Insight Hotels & Leisure Pvt. LTD. - Face value ₹ 100 each.	**700,000**		700,000	
100,000,000 (P.Y. 100,000,000) Treasure World Developers Pvt. Ltd. - Face value ₹ 10 each. (Refer Note No. 40)	**1,000,000,000**		1,000,000,000	
		1,231,260,850		1,326,160,850
(iv) Investment in Capital of Partnership Firm				
Phoenix Construction Company		**19,250,285**		19,424,433
B) Others				
(i) Unquoted				
7 years - National Savings Certificates (Deposited with State Government and other authorities as security)	**75,000**		75,000	
10 (P.Y. 10) ordinary shares of ₹ 50/-each -fully paid of Sukhsagar Premises Co-op. Society Ltd.	**500**		500	
80 (P.Y. 80) ordinary shares of ₹ 25/- each -fully paid of Rashtriya Mazdoor Madhyavarti Sahakari Grahak Sangh (Maryadit)	**2,000**		2,000	
50,000 (PY 50,000) 10.50% Perpetual Non-cumulative Preference shares of ₹ 10 each in The Saraswat Co-Operative Bank Limited	**500,000**		500,000	
1,000 (P.Y - Nil) The Cosmos Co-operative Bank Ltd Shares of ₹ 100 Each fully paid	**100,000**		-	
5,000 (P.Y. 5,000) shares of ₹ 10/- each in The Saraswat Co-op Bank Ltd	**50,000**		50,000	
		727,500		627,500

	As at 31st March, 2016 ₹	₹	As at 31st March, 2015 ₹	₹
(ii) Quoted				
(Equity Shares of face value of ₹ 10/- each fully paid-up, unless otherwise stated)				
36,325 (P.Y. 36,325) I.C.I.C.I. Bank Limited ***	**260,250**		260,250	
20 (P.Y. 20) Clariant Chemicals (India) Ltd.	**200**		200	
1,949,090 (P.Y. 1,949,090) Graphite India Limited face value of ₹ 2 each **	**417,427,843**		417,427,843	
584,726 (P.Y. 584,726) GKW Limited	**56,330,545**		56,330,545	
		474,018,838		474,018,838
		2,532,575,778		2,719,663,896
Less: Aggregate provision for dimunition in value of investments (Refer Note No. 40)		**(1,142,500,000)**		(912,500,000)
Total Non- Current Investments		**1,390,075,778**		1,807,163,896
1. Aggregate value of Quoted Investments:				
Book Value		**523,945,444**		534,370,200
Market Value		**548,335,053**		561,889,267
2. Aggregate book value of other Unquoted Investments:		**2,008,630,334**		2,185,293,696

*** Out of 36,325 shares, 9,975 shares are held by a Bank in their name as security

NOTE 12

	As at 31st March, 2016 ₹	₹	As at 31st March, 2015 ₹	₹
Deferred Tax Assets (Net)				
Deferred Tax Assets				
Disallowance under the Income Tax Act. 1961	**284,998,018**		70,486,164	
Carry Forward of Losses & Depreciation	**1,950,861,672**		1,838,876,516	
		2,235,859,690		1,909,362,681
Deferred Tax Liability				
Related to Fixed Assets	**1,127,449,593**		862,036,135	
		1,127,449,593		862,036,135
		1,108,410,097		1,047,326,546

NOTE 13

	As at 31st March, 2016 Non Current ₹	Current ₹	As at 31st March, 2015 Non Current ₹	Current ₹
Loans and Advances				
Unsecured and considered Good				
Capital Advances				
Considered Good	**988,446,431**	-	1,167,421,617	-
Considered Doubtful	**12,159,262**	-	659,262	-
Less: Provision for Doubtful Capital Advance	**(12,159,262)**	-	(659,262)	-
Deposits				
Deposits to related parties#	**555,075,001**		479,275,000	-
Security Deposits	**175,080,681**	**500,000**	138,833,656	1,100,000
Other Deposits	**58,483,070**	-	40,344,028	-
Loans to related parties#	-	**10,000,000**	-	-

	As at 31st March, 2016		As at 31st March, 2015	
	Non Current	**Current**	Non Current	Current
	₹	₹	₹	₹
Others	**2,500,000**	-	**2,600,000**	-
Inter Corporate Deposits to				
Related Parties #	**948,789,193**	**808,555**	109,321,171	265,683,555
Others	-	**202,849,640**	32,000,000	160,073,601
Other				
Advances recoverable in cash or kind	**285,277,069**	**211,906,552**	209,526,612	454,908,027
Prepaid Expenses	**49,865**	**74,164,384**	2,848	42,386,202
Advance to Vendors	**90,989,920**	**244,547,563**	-	232,296,673
Advance income tax (net of provision for taxation)	**264,813,326**	**1,100,824,651**	97,074,749	406,673,616
Balance with statutory/government authorities	**20,244,088**	**323,211,856**	79,830,377	403,932,885
	3,389,748,644	**2,168,813,201**	2,356,230,058	1,967,054,559

Refer Note No 31 for details

Loans and advance includes ₹ 854,533,723 (P.Y. ₹ 414,245,496) to Private Limited in which director is a director / member.

NOTE 14

	As at 31st March, 2016		As at 31st March, 2015	
	₹	₹	₹	₹
Other Non Current Assets				
Non Current Portion of Cash & Cash Equivalents		**380,056,615**		504,143,597
Others				
Miscellaneous Expenditure (to the extent not written off / adjusted)		**32,398,898**		15,597,960
Interest Accrued but not due on Fixed Deposits		**12,527,083**		8,300,803
		424,982,596		528,042,360

NOTE 15

	As at 31st March, 2016		As at 31st March, 2015	
	₹	₹	₹	₹
Current Investments (Unquoted)				
Investments in Mutual Funds units of ₹ 100/- each, Growth unless otherwise stated				
Nil (P.Y. 85,194) DSP Blackrock Liquidity Fund Int'nl Plan- Growth- Regular plan units of 1000 each	-		170,000,000	
51,87,259 (P.Y. Nil units) DHFL Pramerica Banking & PSU Debt Fund - Regular Plan - Growth	**64,610,435**		-	
18,340 (P. Y. Nil units) Kotak Floater Short Term - Growth (Regular Plan)	**45,077,498**		-	
27,236 (P.Y. 5877) Reliance Liquid Fund - Treasury Plan (Growth), units of ₹ 1,000/- each	**100,000,000**		20,000,000	
		209,687,933		190,000,000
		209,687,933		190,000,000
Aggregate value of Quoted Investment:		**209,687,933**		190,000,000
Market value of Quoted Investments:		**213,534,431**		190,359,235

NOTE 16

	As at 31st March, 2016		As at 31st March, 2015	
	₹	₹	₹	₹
Inventories				
Realty Work- In- Progress		**13,173,505,056**		11,727,439,289
Food & Beverages		**59,852,163**		38,396,342
Stores and spares		**6,261,536**		17,250,212
		13,239,618,755		11,783,085,843

NOTE 17

	As at 31st March, 2016		As at 31st March, 2015	
	₹	₹	₹	₹
Trade Receivables				
Trade receivables outstanding for a period exceeding six months from the date they are due for payment				
Unsecured, considered good	**1,175,693,280**		969,022,034	
Unsecured, considered doubtful	**688,400,082**		646,476,412	
Less : Provision for Doubtful Debt	**(688,400,082)**		(646,476,412)	
		1,175,693,280		969,022,034
Other Receivable				
Unsecured, considered good	**2,024,973,223**		1,223,031,432	
		2,024,973,223		1,223,031,432
		3,200,666,503		2,192,053,467

Trade Receivables include ₹ 1,173,914/- (Previous Year ₹ 1,173,914/-) from private companies in which a director is a director/member

NOTE 18

	Non Current	Current	Non Current	Current
	₹	₹	₹	₹
Cash and Cash Equivalents				
Balances with banks				
In Current Accounts	-	**1,018,089,142**	-	607,763,065
In Fixed Deposits Account				
Deposits with original maturity of less than three months	-	-	-	-
Deposits with original maturity of less than One Year **	**380,056,615**	**911,673,946**	504,143,597	288,905,132
In unpaid dividend account	-	**20,877,697**	-	16,187,803
Cash on hand	-	**5,136,553**	-	5,241,366
Cheques on hand	-	**265,451**	-	1,992,866
Less: Non current portin transferred to Non Current assets (Note 14)	**(380,056,615)**	-	(504,143,597)	-
	-	**1,956,042,789**	-	920,090,232

** Includes Fixed Deposits of The Phoenix Mills Ltd of ₹ 31,46,00,000 (P.Y. ₹ 31,46,00,000) earmarked towards maintenance of DSRA as per loan agreement.
Fixed deposits of The Phoenix Mills Ltd of ₹ 42,54,417 (P.Y. ₹ 42,54,417) is given as security for bank guarantee.
Deposits of Graceworks Realty & Leisure Private Limited of ₹ 40,250,000 (PY ₹ 40,250,000)earmarked towards maintaining of DSRA as per loan agreement
Deposits of Offbeat Developers Private Limited of ₹ 200,000,000 (PY ₹ 203,929,068) earmarked toward maininting of DSRA as per loan agreement.
Deposit of Offbeat Developers Privste Limited of ₹ 29,062,500 (P.Y. NIL) earmarked toward maintaining of DSRA
Deposit of Offbeat Developers Private Limited of ₹ 15,000,000 (P.Y. NIL) given as security for Bank gurantee.
Deposit of Offbeat Developers Private Limited of ₹ ₹ 7,381,434 (P.Y. 6,770,361) given as security for Bank gurantee.
Deposit of Classic Mall Development Private Limited of ₹ 22,50,00,000 (P. Y. ₹ Nil) given as Margin Money for maintaining DSRA.

NOTE 19

	₹	₹	₹	₹
Other Current Assets				
Interest accrued but not due on Fixed Deposit		**17,364,231**		7,735,090
Interest accrued on Investments		**146,260,045**		143,251,111
Interest accrued on ICD's with related parties		-		565,533
Short term Deposits		-		250,000
Other receivables		-		2,000,000
Miscellaneous Expenditure (to the extent not written off / adjusted)		**12,509,114**		4,915,820
Unbilled revenue		**21,350,258**		22,179,916
		197,483,648		180,897,470

NOTE 20

	₹	**2015 -2016** ₹	2014 -2015 ₹
REVENUE FROM OPERATIONS			
Sales			
From Realty Sales	**4,173,359,837**	-	4,569,653,182
From Cloth Sales	-	**4,173,359,837**	5,318,432
License Fees and Rental Income		**7,071,401,255**	6,515,043,451
Service Charges		**3,238,187,167**	3,053,506,957
Room Rent Income		**957,560,963**	635,273,691
Food, Beverages and Banquet Income		**1,249,743,455**	955,040,385
Other Operating Income		**1,095,298,436**	799,402,620
		17,785,551,113	16,533,238,718

NOTE 21

	₹	**2015 -2016** ₹	2014 -2015 ₹
OTHER INCOME			
Interest		**187,656,060**	178,786,659
Dividend Income			
Current	**595,585**		16,171,598
Long Term	**4,778,556**		8,822,053
		5,374,141	24,993,651
Profit on sale of Investments		**67,082,271**	69,585,890
Profit on sale of Assets		**782,997**	19,145,924
Others			
Miscellaneous Receipts		**10,323,362**	16,908,342
Balance/(Provisions) Written Back		**40,811,641**	2,917,289
		312,030,472	312,337,755

NOTE 22

	₹	2015 -2016 ₹	2014 -2015 ₹
COST OF MATERIALS/CONSTRUCTION			
Cloth Trading			
Purchase for resale		-	5,127,578
Food and Beverage Consumed			
Purchases		**358,024,878**	254,342,657
Realty Sales			
Construction & Other related costs		**3,971,864,057**	2,856,756,239
		4,329,888,935	3,116,226,474

NOTE 23

	₹	2015 -2016 ₹	2014 -2015 ₹
CHANGE IN INVENTORY			
Food and Beverage Consumed			
Stocks at commencement	**38,784,414**		29,855,628
Stocks at close	**57,368,363**		38,396,342
Net (Increase)/Decrease		**(18,583,949)**	(8,540,713)
Realty Sales			
Opening Work In Progress	**11,672,070,840**		11,373,455,725
Closing work in progress	**13,136,557,788**		11,667,878,618
Net (Increase)/Decrease		**(1,464,486,948)**	(294,422,893)
		(1,483,070,897)	(302,963,606)

NOTE 24

	₹	2015 -2016 ₹	2014 -2015 ₹
EMPLOYEE BENEFITS EXPENSE			
Salaries, Wages & Bonus		**1,145,496,934**	830,986,346
Contribution to Provident Fund & Other Funds		**37,498,702**	23,894,651
Gratuity and Leave encashment		**17,257,604**	37,248,899
Staff Welfare Expenses		**32,476,425**	22,420,201
		1,232,729,664	914,550,097

NOTE 25

	₹	2015 -2016 ₹	2014 -2015 ₹
DEPRECIATION AND AMORTISATION			
Depreciation and Amortistion		**1,772,813,574**	1,681,577,120
Add/(Less) : Transferred from revaluation reserve		-	(997,921)
Add/(Less) : Prior Period Adjustments		-	71,035
		1,772,813,574	1,680,650,234

NOTE 26

		2015 -2016	2014 -2015
	₹	₹	₹
FINANCE COSTS			
Interest Expenses			
Interest on fixed loans		**3,839,563,091**	3,814,186,993
Interest on other loans		**168,446,216**	111,003,468
Other Costs		**297,102,714**	30,902,339
		4,305,112,021	3,956,092,799

NOTE 27

		2015 -2016	2014 -2015
	₹	₹	₹
OTHER EXPENSES			
Electricity		**1,876,964,772**	1,682,907,226
Repairs and Maintenance:-			
Buildings	**175,570,446**		
Machinery & Vehicles	**301,481,518**		
Others	**78,010,079**		
		555,062,043	394,577,519
Foreign Exchange (Gain)/Loss		**11,328**	(700,035)
Insurance		**41,217,519**	35,232,882
Stores and Operating Supplies		**155,740,369**	84,005,417
Rent		**5,943,932**	9,115,494
Rates & Taxes		**127,040,473**	72,353,170
Property Tax		**289,183,165**	525,375,301
Water Charges		**105,515,390**	107,475,646
Communuication expenses		**34,943,320**	20,614,230
Postage & Courier		**551,354**	1,849,705
Prinitng & stationary expenses		**10,920,328**	7,977,976
Legal and Professional charges		**248,193,127**	298,270,410
Travelling Expenses		**82,163,874**	49,685,618
Auditors' Remuneration		**14,815,778**	13,125,294
Car Hire charges		**27,080,338**	26,896,569
Directors' sitting fees & Commission		**2,480,000**	1,480,165
Compensation		**15,117,519**	14,429,182
Donation		**6,948,586**	12,187,339
Loss on Assets Sold/Discarded		**27,905,749**	738,030
Prior Period Expenses/(income)		**(2,317,265)**	10,308,969
Advertisement & Sales Promotion		**760,573,749**	660,732,859
Bank charges		**6,895,144**	3,549,625
Brokerage		**60,047,484**	35,205,390
Rebate & Settlement		**107,444,448**	141,365,414
Bad debts & Sundry balances written off	**36,196,452**		
Provision for Doubtful Debts & Advances/(written back)	**304,975,489**	**341,171,941**	303,667,450
Parking Expenses		**24,122,737**	7,302,077
Office Expenses		**7,719,551**	15,514,506
Management Fee		**67,162,538**	-
Security Charges		**255,476,302**	239,184,202
Housekeeping Expenses		**305,224,313**	240,200,214
General Expenses		**76,685,813**	53,632,729
Other Miscellaneous Expenses		**155,147,112**	112,279,175
Miscellaneous/Preliminary Expenditure written off		**12,509,114**	5,280,319
		5,805,661,944	5,185,820,067

NOTE 27.1

NOTE 28

Details of Exceptional Items

28.1

Particulars	2015 -2016 ₹	2014 -2015 ₹
Provision for the diminution in the value of investment (Refer Note No. 39)	**230,000,000**	912,500,000
Provision for Loan given to related concern	**70,000,000**	-
Project Development Expenditure transferred (Refer Note 28.2)	**7,757,390**	132,992,860
Amount credited on reclassification of investment in Entertainment World Developers Ltd & Bartraya Mall Development Co. Pvt from equity method to cost as per AS-13.	-	(107,461,494)
Provision for Settlement between Pallazzio Hotels and Leisure Limited ("Pallazzio") and Shangri-La International Hotel Management Pte Ltd	**73,765,292**	
Write off of Loans in respect of Upal Developers Pvt Ltd.	**3,751,510**	
Provision for Loans and Advances in respect of Blackkwood Developers Pvt. Ltd.	**2,000,000**	
Net Exceptional Expenses	**387,274,192**	938,031,366

28.2

The business plan of Gangetic Developers Private Limited incorporated in the Articles of Association (AOA) has become unworkable due to decision of the management to modify the plan as mentioned in the AOA and planning to combine Mall, Multiplex project with other commercial structure for ensuring viability of the project.

NOTE 29

29) a) Disclosure regarding derivative instruments and un-hedged foreign currency exposure

The Company does not enter into any forward exchange contracts being derivative instruments for trading or speculative purposes. The Company did not enter into any forward exchange contracts being derivative instruments for hedging purposes during the year.

b) In Pallazzio Hotels & Leisures Ltd, the Foreign Currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Particulars	Foreign Currency	2015-16		2014-15	
		Amount in FC	Amount in ₹	Amount in FC	Amount in ₹
Trade Payables	USD	663,257	43,994,779	349,124	21,851,977
	AED	-	-	9,332	158,399
	SGD	-	-	502,969	22,851,202
	HKD	-	-	241,375	1,940,534
Other Liabilities	USD	1,248,590	82,822,596	-	-
Capital Advance	USD	363,885	20,506,670	555,854	31,767,434
	EURO	10,954	746,024	27,636	2,098,393
	SGD	1,907	92,315	2,218	101,318
	HKD	1,281	9,966	12,063	103,510
Long Term Borrowings	USD	-	-	21,875,010	1,369,174,376
Interest Accrued & Due	USD	-	-	249,900	15,641,412
Balances with Bank	USD	21,095	1,399,292	1,195	74,808

NOTE 30

The Company has disclosed Business Segment as the primary Segment. In the opinion of the Management, the Company is organised into two main business segments namely, Property & Related Services and Hospitality Services. These segments have been identified in line with AS-17 on segment reporting

Sr No.	Particulars	Property & Related Services		Hospitality Services		Unallocated		Total	
		2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015
A	**Revenue**								
	income From Operations & sales	**15,31,94,01,732**	14,94,29,24,641	**2,46,61,49,381**	1,59,03,14,076			**17,78,55,51,113**	16,53,32,38,717
	Other Income					**31,20,30,472**	31,23,37,755	**31,20,30,472**	31,23,37,755
	Total	**15,31,94,01,732**	14,94,29,24,641	**2,46,61,49,381**	1,59,03,14,076	**31,20,30,472**	31,23,37,755	**18,09,75,81,585**	16,84,55,76,472
B	**Results**							-	-
1	Profit/(Loss) Before Tax & Interest	**6,32,35,86,144**	7,04,04,50,833	**(19,60,59,253)**	(1,10,14,95,382)	**31,20,31,472**	31,23,37,755	**6,43,95,58,363**	6,25,12,93,206
2	Less: Interest					**(4,30,51,12,021)**	(3,95,60,92,799)	**(4,30,51,12,021)**	(3,95,60,92,799)
	Profit/(Loss)Before Tax & Exceptional Item	**6,32,35,86,144**	7,04,04,50,833	**(19,60,59,253)**	(1,10,14,95,382)	**(3,99,30,80,549)**	(3,64,37,55,044)	**2,13,44,46,342**	2,29,52,00,407
	Add/(less) Exceptional Item					**(38,72,74,192)**	(93,80,31,365)	**(38,72,74,192)**	(93,80,31,365)
	Less: Provision for Tax					**(74,57,51,270)**	(49,31,87,158)	**(74,57,51,270)**	(49,31,87,158)
	Net Profit/(Loss) after Tax (Before Adjustment of Minority Interest and share of associates)	**6,32,35,86,144**	7,04,04,50,833	**(19,60,59,253)**	(1,10,14,95,382)	**(5,12,61,06,011)**	(5,07,49,73,567)	**1,00,14,20,880**	86,39,81,884
	Add/(less) Share of Profit/(loss) from Associates					**1,67,97,579**	4,32,31,806	**1,67,97,579**	4,32,31,806
	Less : Minority Interest					**20,27,57,929**	55,29,22,725	**20,27,57,929**	55,29,22,725
								-	-
	Profit/(Loss) After Tax and Minority	**6,32,35,86,144**	7,04,04,50,833	**(19,60,59,253)**	(1,10,14,95,382)	**(5,31,20,66,361)**	(5,58,46,64,486)	**81,54,60,530**	35,42,90,965
C	**Other Information**								
	Segment Assets	**53,90,39,07,019**	49,89,03,49,288	**14,41,42,77,276**	11,44,07,14,307	**4,69,32,57,818**	5,08,17,91,689	**73,01,14,42,113**	66,41,28,55,284
	Segment Liabilities	**10,08,10,81,121**	10,63,52,65,463	**3,29,64,95,968**	2,34,88,07,640	**36,43,58,48,517**	30,46,15,50,350	**49,81,34,25,606**	43,44,56,23,453
	Capital Expenditure	**81,70,93,149**	1,22,82,38,329	**1,17,02,51,744**	59,34,74,304	-		**1,98,73,44,893**	1,82,17,12,633
	Depreciation	**1,16,40,48,378**	1,17,16,33,224	**60,87,65,196**	50,90,17,010	-		**1,77,28,13,574**	1,68,06,50,234

All the activities of the Company and its subsidiaries are located in India. There are no secondary reportable segments.

NOTE 31

In view of the Accounting Standard : AS 18 on Related Parties Disclosures in respect of related party transactions for the year ended on 31st March 2016 is as under:

a) RELATIONSHIPS

Category I: Associates

Classic Housing Projects Private Limited
Escort Developers Private Limited
Galaxy Entertainment Corporation Limited
Galaxy Entertainment (India) Private Limited
Mirabel Entertainment Private Limited
Starboard Hotels Private Limited

Category II: Key Managerial Personnel

Key Person	Designation
Ashokkumar R Ruia	Chairman & Managing Director
Atul Ruia	Jt. Managing Director
Kiran B Gandhi	Whole-time Director (up to 31/05/2015)
Shishir Shrivastava	Whole-time Director

Category III: Other Related Parties where common control exists

R.R.Hosiery Private Limited
R.R. Hosiery
Phoenix Retail Private Limited
Ruia International Holdings Company Private Limited
Phoenix Construction Company
Winston Hotel Private Limited
Ashok Apparels Private Limited
Vigilant Developers Private Limited
Padmshil Hospitality & Lesiure Private Limited

Category IV : Relatives of Key Managerial Personnel

Gayatri A Ruia
B. R. International.

b) The following transactions were carried out with the Related Parties in the ordinary course of business in the financial year under report

Sr. No.	TRANSACTIONS	Category I	Category II	Category III	Category IV	Total
1	Rent,Compensation & Other recoveries	3,11,44,426	-	-	20,72,832	3,32,17,258
		(1,68,70,384)	-	-	(18,09,953)	(1,86,80,337)
2	Interest Received	3,59,93,365	-	-	-	3,59,93,365
		(1,32,66,933)				(1,32,66,933)
3	Remuneration/Salaries/Other Expense	-	1,35,26,440	-	-	1,35,26,440
		-	(3,57,84,668)	-	-	(3,57,84,668)
4	Administrative & Other Charges paid (Excluding Service Tax)	2,69,945	-	1,25,25,842	-	1,27,95,787
		(3,99,450)	(1,90,502)	(59,78,454)	-	(65,68,406)
5	Purchase of Goods / Materials	-	-	-	-	-
		(50,95,078)	-	-	-	(50,95,078)
6	ICD Given	75,65,00,000	-	-	-	75,65,00,000
		(39,07,00,000)	-	-	-	(39,07,00,000)
7	ICD returned by Parties	28,48,21,170	-	-	-	28,48,21,170
		-	-	-	-	-
8	Share of Loss from partnership firm	-	-	(1,74,148)	-	(1,74,148)
		-	-	(5,12,497)	-	(5,12,497)
9	Advances Given	1,55,00,000	-	-	-	1,55,00,000
		(3,00,00,000)	-	-	-	(3,00,00,000)
10	Redemption/Sale of OCD/CCD	-	-	7,25,00,000	-	7,25,00,000
11	Investment in OCD/CCD	-	-	-	-	-
		(20,00,56,310)	-	(1,05,04,540)	-	(21,05,60,850)
12	Application money Refund Received	-	-	-	-	-
		(18,80,99,900)	-	(2,46,81,694)	-	(21,27,81,594)
13	Advances Refunded by party	1,55,00,000	-	-	-	1,55,00,000
		(3,00,00,000)	-	-	-	(3,00,00,000)

C) The following balances were due from / to the related parties as on 31-03-2016

Sr. No.	Balances	Category I	Category II	Category III	Category IV	Total
1	Investment in Equity Shares / pref shares	217,864,537	-	-	-	217,864,537
		(25,49,01,670)	-	-	-	(25,49,01,670)
2	Investment in OCD/CCD	21,96,56,310	-	1,05,04,540	-	23,01,60,850
		(24,20,56,310)	-	(1,05,04,540)	-	(25,25,60,850)
3	Investment in Capital of Partnership Firm	-	-	1,92,50,285	-	1,92,50,285
		-	-	(1,94,24,433)	-	(1,94,24,433)
4	Loans Taken	226,079,268	-	92,24,020	-	23,53,03,488
		(3,30,37,235)		(92,24,020)		(4,22,61,255)
5	Inter Corporate Deposits Given	94,95,97,748	-	-	-	94,95,97,748
		(37,46,11,551)	-	-	-	(37,46,11,551)
6	Advances Received	-	-	1,50,000	-	1,50,000
				(1,50,000)		(1,50,000)
7	Trade receivables	3,51,54,354	-	11,73,914	-	3,63,28,268
		(2,79,55,462)	-	(11,73,914)	(4,84,277)	(2,96,13,653)
8	Trade Payables	1,31,957	-	2,35,37,653	-	2,36,69,610
		(1,56,957)				(1,56,957)
9	Deposits Given	-	-	555,075,001	-	555,075,001
		-	-	(47,92,75,000)	-	(47,92,75,000)

*Figures in brackets are of previous year

d) Disclosure in Respect of Material Related Party Transactions during the year:

i. Rent & other recoveries include received from Classic Housing Projects (P) Limited ₹85,67,830 (P.Y. ₹ 50,38,000), Starboard Hotels Private Ltd ₹ 14,510,261 (P.Y. ₹ 1,17,91,433) and Mirabel Entertainment Pvt Ltd ₹ 80,66,335 (P.Y. ₹ Nil)

ii. Interest received include received from Gangetic Hotels Private Limited ₹ Nil (P.Y. ₹ 16,60,203), Starboard hotels private limited ₹ 35,518,188 (P.Y. ₹ 1,09,31,701) and Classic Housing Projects Pvt Ltd ₹ 184,426 (P.Y. ₹ Nil).

iii. Remuneration paid to Ashok Ruia ₹ 65,63,220 (P.Y. ₹ 60,00,000), Atul Ruia ₹ 65,63,220 (P.Y. ₹ 60,00,000), Kiran Gandhi ₹ Nil (P.Y. 27,92,168), Shishir Shrivastava ₹ Nil (P.Y. ₹ 2,09,92,500).

iv. Administrative & other expenses include paid to R.R.Hosiery ₹ 19,96,588 (P.Y. ₹ Nil), R.R.Hosiery (P) Limited ₹ 36,45,254 (P.Y. ₹ 59,72,710) and Winston Hotels Pvt Ltd ₹ 68,55,000 (P.Y. ₹ Nil)

v. Purchase of Goods/Materials include purchase from Classic Housing Projects Private Ltd. ₹ Nil/-(P.Y. 50,95,078).

vi. ICD given includes Starboard Hotels Pvt Ltd ₹ 630,500,000 (P.Y. ₹ 9,95,00,000), Gangetic Hotels Private Limited ₹ Nil (P.Y. ₹ 26,12,00,000), Classic Housing Projects Pvt Ltd ₹125,000,000 (P.Y. ₹ Nil) and Phoenix Hospitality Company Pvt Ltd ₹ 10,00,000 (P.Y. ₹ Nil)

vii. ICD returned by parties includes Starboard Hotels Pvt Ltd ₹ 159,821,170 (P.Y. ₹ Nil) and Classic Housing Projects Pvt Ltd ₹125,000,000 (P.Y. ₹ Nil)

viii. Loss from investment in Phoenix Construction partnership firm ₹ 1,74,148 (P.Y. ₹ 5,12,497).

ix. Advances given includes advances given to Classic Housing Project Pvt Ltd ₹1,55,00,000 (P.Y 3,00,00,000).

x. Sale of OCD/CCD includes sale of CCD to R.R. Hosiery Pvt Ltd ₹ 7,25,00,000 (P.Y. ₹ Nil)

xi. Investment in OCD/CCD include investment in Starboard Hotels (P) Limited of ₹ Nil (P.Y. ₹ 17,35,56,310), Savannah Phoenix (P) Limited ₹ Nil (P.Y. ₹ 2,24,00,000).

xii. Application Money Refund received includes refund received from Savannah Phoenix (P) Limited ₹ Nil (P.Y. ₹ 1,63,00,000) Starboard Hotels (P) Limited ₹ Nil (P.Y. ₹ 13,83,99,900).

xiii. Advances refunded by parities includes Classic Housing Project Pvt Ltd ₹15,500,000 (P.Y ₹ 3,00,00,000).

NOTE 32

Earnings per share (EPS):

Basic as well as Diluted EPS	2015-16 ₹	2014-15 ₹
Net Profit after Tax	**81,54,60,531**	35,42,90,964
Weighted Average No. of Equity Shares for Basic EPS	**15,05,58,554**	14,48,81,603
Dilution due to ESOPs	**1,06,028**	1,63,912
Weighted Average No. of Equity Shares for Diluted EPS	**15,06,64,582**	14,50,45,515
Nominal Value of Equity Shares	**2**	2
Basic Earning Per Share	**5.42**	2.45
Diluted Earning Per Share	**5.41**	2.44

NOTE 33

Contingent liabilities not provided for in respect of:-

i) Estimated amount of contracts remaining to be executed on capital account and not provided for in the accounts is ₹ 1,334,120,803 (P.Y. ₹ 1,199,511,397) net of advance paid.

ii) Disputed Statutory demands on account of :

Sr No.	Particulars	31-03-2016	31-03-2015
1	Income Tax (Including TDS)	381,579,422	25,20,14,769
2	Service Tax	316,591,442	14,02,55,533
3	VAT	1,04,68,913	1,04,68,913
4	Property Tax	10,85,90,254	10,85,90,254

iii) Demand notices received on account of arrears of Provident Fund dues ₹ 24,71,962 (P.Y. ₹ 24,71,962) are disputed by the Company. The Company has paid ₹ 10,00,000 and has also furnished a Bank Guarantee for ₹ 14,71,165 against P.F. demands to the P.F. authorities.

iv) Other Claims against the company not acknowledged of ₹ 83,95,942/- (P.Y ₹ 83,95,942)

v) Outstanding guarantees given by Banks ₹ 26,476,369 (P.Y. ₹ 21,850,549).

vi) Guarantees given by the company for EPCG Licence ₹ 261,211,589 (P.Y. ₹ 1,665,075,455).

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

NOTE 34

Expenditure incurred during construction period :

The Group's various projects relating to construction of commercial, retail, hotel and entertainment complexes are in progress. The expenditure incurred during the construction period is treated as "Project Development Expenditure" pending capitalisation. The same has been included under Capital Work In Progress and will be apportioned to fixed assets on the completion of the project.

a.) The details of Project Development Expenditure as on the date of Balance sheet are as under:

Particulars	2015-16 ₹	2014-15 ₹
Opening Balance (A)	**239,561,541**	239,213,276
Expenditure		
Rates and Taxes	**(5,356,037)**	52,67,998
Interest	**70,632,951**	7,45,50,411
Total (B)	**65,276,914**	7,98,18,409
Less : Project Development Expenses Transferred to profit and loss account as exceptional item (C)	-	7,94,70,144
Closing Balance (A+B-C)	**304,838,455**	239,561,541

NOTE 35

The Subsidiary companies considered in these consolidated financial statements are:

Name of Subsidiaries	Country of Incorporation	Proportion of ownership interest 2015-16	Proportion of ownership interest 2014-15
Pallazzio Hotels and Leisure Limited	India	**100%**	100%
Bellona Hospitality Services Limited	India	**100%**	100%
Marketcity Resources Private Limited	India	**100%**	100%
Pinnacle Real Estate Development Private Limited	India	**100%**	100%
Palladium Constructions Private Limited	India	**79.52%**	73.25%
Enhance Holdings Private Limited	India	**100%**	100%
Plutocrat Assets & Capital Management Private Limited	India	**100%**	100%
Big Apple Real Estate Private Limited	India	**100.00%**	76.59%
Butala Farm Lands Private Limited	India	**100.00%**	100%
Vamona Developers Private Limited	India	**86.55%**	62.55%
Upal Developers Private Limited (Subsidiary of BAREPL)	India	**100.00%**	76.59%
Blackwood Developers Private Limited (Subsidiary of BAREPL)	India	**100.00%**	76.59%
Gangetic Developers Private Limited (Subsidiary of BAREPL)	India	**58.61%**	44.89%
Market City Management Private Limited	India	**100%**	100%
Phoenix Hospitality Company Private Limited (PHCPL)	India	**56.92%**	56.92%
Graceworks Realty and Leisure Private Limited (Subsidiary of PHCPL)	India	**44.02%**	44.02%
Alliance Spaces Private Limited (Subsidiary of PHCPL)	India	**33.01%**	33.01%
Mugwort Land Holdings Private Limited	India	**94.86%**	94.86%
Sangam Infrabuild Corporation Private Limited (Subsidiary of BAREPL)	India	**100.00%**	77.19%
Island Star Mall Developers Private Limited	India	**100.00%**	75.34%
Classic Mall Development Company Private Limited (including 1.82% indirect holding through Escort Developers Private Limited)	India	**50.01%**	50.01%
Offbeat Developers Private Limited	India	**65.37%**	56.26%
Savannah Phoenix Private Limited (Associate up to 06/04/2015)	India	**100%**	-
Gangetic Hotels Private Limited (Associate up to 03/11/2015)	India	**42.98%**	-

NOTE 36

The Subsidiary companies considered in these consolidated financial statements are:

Name of Associate companies	Country of Incorporation	Proportion of ownership interest 2015-16	Proportion of ownership interest 2014-15
Classic Housing Projects Private Limited	India	**50.00%**	50.00%
Escort Developers Private Limited	India	**50.00%**	50.00%
Galaxy Entertainment Corporation Ltd.	India	**23.56%**	23.56%
Galaxy Entertainment (India) Private Limited	India	**49.02%**	49.02%
Starboard Hotels Private Limited	India	**28.47%**	28.47%
Mirable Entertainment Private Limited (Associate through PHCPL)	India	**28.46%**	28.46%
Gangetic Hotels Private Limited	India	-	23.61%
Savannah Phoenix Private Limited	India	-	50.00%

Investments in Associates include:

Name of Associates	Cost of Acquisition 2015-16 ₹	Goodwill/(Capital Reserve) included in cost of acquisition 2015-16 ₹	Cost of Acquisition 2014-15 ₹	Goodwill/(Capital Reserve) included in cost of acquisition 2014-15 ₹
Classic Housing Projects Pvt. Limited	**52,215**		52,215	
		(47,35,357)		(47,35,357)
Escort Developers Pvt. Ltd.	**1,59,50,000**	**2,143**	1,59,50,000	2,143
Galaxy Entertainment Corporation Ltd.	**7,43,09,402**	**4,74,79,617**	7,43,09,402	4,74,79,617
Galaxy Entertainment (India) Pvt. Ltd.	**2,50,00,000**	**(2,05,058)**	2,50,00,000	(2,05,058)
Savannah Phoenix Private Limited	-	-	2,50,000	-
Starboard Hotels Private Limited (Formerly Classic Software Technology Park Developers Private Limited)	**1,42,32,697**	**1,90,577**	1,42,32,697	1,90,577
Mirable Entertainment Private Limited	**30,468**	**(3,06,839)**	30,468	(3,06,839)
Gangetic Hotels Private Limited	-	-	5,92,93,564	(4,16,55,277)

NOTE 37

Based on the valuation reports of the Government approved valuers, the Holding Company had revalued the assets consisting of land including leasehold land and land leased in perpetuity, Buildings and Plants and Machinery as on 31st March 1985. Depreciation on revalued land, building and plant and machinery has been calculated as per the rates specified by the valuers, which includes an additional charge amounting to ₹ Nil (P.Y. ₹ 9,97,921/-) in comparison to depreciation provided under the Companies Act, 2013.

NOTE 38

Capital work in progress includes ₹ 93,38,34,120 (P.Y. ₹ 93,38,34,120) comprising mainly the cost incurred on acquiring long term tenancies on the plot of land admeasuring 7617.51 sq mtrs at High Street Phoenix. The Company is exploring various alternatives for the development of the said plot of land.

NOTE 39

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

NOTE 40

The Company carries, as at the year end, investments of ₹ 579,270,269 (including through wholly owned subsidiary) in the equity shares of Entertainment World Developers Limited (EWDL), ₹ 1,000,000,000 in FCDs of Treasure world Developers Pvt. Ltd. (TWDPL), subsidiary of EWDL and interest accrued thereon, upto 31-03-2012, of ₹ 143,251,068. The company had exercised the put option available as per the Share and Debenture Subscription Deed for the said FCDs and EWDL has paid a part amount of ₹ 191,880,000 in November 2013. Pending receipt of the balance consideration, the amount received has not been adjusted against the investments/ accrued Interest and has been shown under other current liability. The Nethworth of EWDL/TWDPL has been erored as per the latest available unaudited accounts as at 31st March 2014.The Company's Board had, out of abundant caution and as a prudent practice in line with the standard accounting practices, provided ₹ 912,500,000 for the impairment of these investments in the Financial Year 2014-15. The Board has decided to further provide ₹ 230,000,000 towards the impairment of these Investments, as at 31st March, 2016.While

the Company would continue its efforts for the recovery of the dues against the put option exercised by it on the FCDs, considering in the opinion of the Board, considering the realisable value of assets of EWDL & its subsidiaries, the impairment provisions against these investments are adequate.

Company had also made provision of ₹ 70,000,000 for loan given, which is considered adequate.

NOTE 41

In Offbeat Developers Pvt Ltd, Trade Receivables as at 31st March, 2016 includes receivables of ₹ 542,400,593/- in respect of mall operations, which are due for more than six months subject to confirmations. The company is in the process of recovering these through ongoing negotiations. Pending final outcome of such negotiations, a provision of ₹ 403,112,701/- has been made as at 31st March, 2016 towards doubtful debts, including ₹ 213,864,343/- for the financial year, which in the opinion of the Management is adequate.

NOTE 42

The balances in respect of Trade Receivables & Payables and loans and advances, as appearing in the books of accounts are subject to confirmations from the respective parties and are pending reconciliations/adjustments arising there from, if any.

NOTE 43

The Company is a partner in a partnership firm M/s. Phoenix Construction Company. The accounts of the partnership firm have been finalised upto the financial year 2014-2015. The details of the Capital Accounts of the Partners as per the latest Financial Statements of the firm are as under:-

Sr. No.	Name of the Partners	Profit Sharing ratio	Total Capital on 31/03/2015	Total Capital on 31/03/2014
1.	The Phoenix Mills Ltd.	50%	1,63,48,617	1,65,22,764
2.	Gold Seal Holding Pvt. Ltd.	50%	1,14,92,815	1,16,66,962

The Company has accounted for its share of loss amounting to ₹ 174,148/- (P.Y. ₹ (512,497/-) pertaining to the financial year 2014-2015 in the current year. The share of profit/loss for the current financial year will be accounted in the books of the Company on the finalisation of the accounts of the firm.

NOTE 44

Disclosure under the Micro, Small and Medium Enterprise Development Act, 2006 is tabled below.

Particulars	31stMarch, 2016	31st March, 2015
Principal amount payable to micro and small enterprises at year end	**25,24,647**	15,87,137
Interest accrued and unpaid to suppliers at year end	-	-
Interest paid to suppliers during the year	-	-

NOTE 45

The Hotel Management Agreement (HMA) between Pallazzio Hotels and Leisure Limited ("Pallazzio") and Shangri-La International Hotel Management Pte Ltd for the operation of the Company's hotel in Lower Parel, Mumbai was terminated by the parties effective 5th September, 2013. In accordance with the provisions of the HMA, the parties had referred their mutual disputes to arbitration.

The Parties concurrently also held discussions and pursuant thereto agreed to settle their respective claims and counterclaims amicably, by entering into a Deed of Settlement dated 5th February 2016. Accordingly, during the year, the Company has made further provision, which has been disclosed as an Exceptional Item. The arbitration proceedings have been kept in abeyance and will be withdrawn by both the parties on company fulfilling its obligation as per agreed terms of settlement.

NOTE 46

The material difference in the accounting policies of the company and it's subsidiaries are as under:

Item	Name of Subsidiary	₹	Percentage of proportion of Item
Depreciation	Pallazzio Hotels & Leisure Ltd.	51,75,61,962	29.19
Depreciation	Offbeat Developers Pvt. Ltd.	23,12,70,367	13.05
Depreciation	Vamona Developers Pvt. Ltd.	18,77,62,572	10.59
Depreciation	Island Star Mall Developers Pvt. Ltd.	16,48,53,271	9.30
Depreciation	Classic Mall Developers Pvt. Ltd.	160,844,840	9.07
Depreciation	Upal Developers Pvt. Ltd.	5,27,80,975	2.98
Depreciation	Blackwood Developers Pvt. Ltd.	5,00,64,311	2.82
Depreciation	Big Apple Rea Estate Pvt. Ltd.	9,12,415	0.05

NOTE 47

Subsidiary company has regrouped minimum alternative tax of ₹ 117,228,865 (P. Y. ₹ 129,290,039) pertaining to earlier period in current year.

NOTE 48

Additional information as required under Section 186 (4) of the Companies Act, 2013 during the year:

i) No investment is made in Body Corporate other than those mentioned in Note 11.

ii) No Guarantee is given by the Company.

iii) Loans given by the Company to Body Corporate or person are as under :

Party Name	Amount	Pupose
Accuraform Pvt Ltd	3,32,54,186	General Corporate Purpose
Anushikha Investments Pvt. Ltd.	2,78,89,800	General Corporate Purpose
Alpha Stich-Art Pvt.Ltd.	50,88,767	General Corporate Purpose
Bartraya Mall Development Co. Pvt. Ltd	3,00,00,000	General Corporate Purpose
CGS Apparel Pvt Ltd	48,25,328	General Corporate Purpose
GTN Textiles Limited	53,43,770	General Corporate Purpose
Kalani Industries Pvt Ltd	9,41,98,077	General Corporate Purpose
Mukand Limited	4,56,03,934	General Corporate Purpose
Platinum Fashion Apparels Pvt Ltd	26,14,344	General Corporate Purpose
Swaran Financial Pvt Ltd	1,66,47,400	General Corporate Purpose
SKS Fincap Pvt.Ltd.	1,06,04,918	General Corporate Purpose
Supreet Vyapaar Pvt.Ltd.	53,73,279	General Corporate Purpose
Starboard Hotels Private Limited	59,61,74,849	General Corporate Purpose
Treasure World Developers Pvt.Ltd.	57,25,000	General Corporate Purpose
York Financial Services Pvt. Ltd.	93,83,080	General Corporate Purpose

NOTE 49

Details required as per Schedule III of the Companies Act 2013 as below:-

i) Details of Net Assets & share in profit or loss

SR No.	Name of the entity in the	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
		As % of consolidated net assets	Amount	As % of consolidated Profit	Amount
	1. Parent	98.87%	22,93,40,96,425	185.04%	1,50,89,27,419
	Subsidiaries				
	A) Indian				
1	Alliance Spaces Private Limited	4.13%	95,87,28,732	(2.69%)	(2,18,97,584)
2	Blackwood Developers Private Limited	1.16%	26,93,52,068	0.23%	18,48,440
3	Bellona Hospitality Services Limited	0.10%	2,41,27,562	(7.14%)	(5,82,50,444)
4	Big Apple Real Estate Private Limited	5.19%	1,20,42,55,961	(1.84%)	(1,49,99,314)
5	Butala Farm Lands Private Limited	0.21%	4,98,27,270	0.00%	(9,078)
6	Classic Mall Development Company Private Limited	13.04%	3,02,40,96,169	66.94%	54,58,85,889
7	Enhance Holdings Private Limited	(0.39%)	(9,01,83,920)	(2.45%)	(2,00,17,978)
8	Gangetic Developers Private Limited	1.36%	31,55,64,288	(1.12%)	(91,07,527)
9	Gangetic Hotels Private Limited	0.28%	6,54,11,072	(44.41%)	(36,21,24,929)
10	Grace Works Realty & Leisure Private Limited	0.60%	13,94,56,634	(2.33%)	(1,90,17,518)
11	Island Star Mall Developers Private Limited	12.12%	2,81,03,71,949	45.50%	37,10,35,455
12	Market City Resources Private Limited	0.40%	9,37,53,421	0.99%	81,04,872
13	Market City Management Private Limited	0.00%	9,99,492	0.00%	(10,708)
14	Mugwort Land Holding Private Limited	0.00%	9,38,549	0.00%	(1,124)
15	Offbeat Developers Private Limited	11.95%	2,77,24,85,577	(48.39%)	(39,45,67,710)
16	Palladium Constructions Private Limited	21.77%	5,05,02,97,512	66.12%	53,92,00,036
17	Pallazzio Hotels & Leisure Limited	1.44%	33,37,26,442	(171.31%)	(139,69,52,136)
18	Phoenix Hospitality Company Private Limited	6.68%	1,55,04,46,229	(1.65%)	(1,34,25,931)
19	Pinnacle Real Estate Development Private Limited	0.00%	(1,27,906)	0.00%	(10,284)
20	Plutocrat Assets And Capital Management Private Limited	0.00%	(9,576)	0.00%	(15,078)
21	Sangam Infrabuild Corporation Private Limited	0.14%	3,19,10,620	(0.01%)	(73,469)
22	Savannah Phoenix Pvt. Ltd.	(0.09%)	(2,01,12,108)	(1.15%)	(93,84,764)
23	Upal Developers Private Limitecd	0.52%	12,12,43,745	0.38%	31,28,708
24	Vamona Developers Private Limited	7.13%	1,65,43,07,772	15.48%	12,62,21,727
	Minority Interest	19.45%	4,510,706,130	24.86%	202,757,930
	Associates (investment as per Equity Method)				
	A) Indian				
1	Classic Housing Projects Private Limited	0.95%	22,09,16,843	6.01%	4,89,83,566
2	Mirabel Entertainment Private Limited	0.02%	56,19,368	(0.23%)	(18,52,203)

Consolidated Notes

on financial statements for the year ended 31st March, 2016

SR No.	Name of the entity in the	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
		As % of consolidated net assets	Amount	As % of consolidated Profit	Amount
3	Starboard Hotels Private Limited	0.20%	4,70,81,602	(0.25%)	(20,38,748)
4	Galaxy Entertainment Corporation Ltd	0.26%	6,03,51,363	(0.03%)	(23,800,000)
5	Galaxy Entertainment (India) Private Limited	0.11%	2,49,58,248	0.00%	-
6	Escort Developers Private Limited	(0.14%)	31,871,856	0.00%	4,349

* Following associates are not consolidated as Company does not exercise significant control.
1. Entertainment World Developers Ltd.
2. Bartaya Mall Development Company Pvt. Ltd.

As per our report of even date

For A.M.Ghelani & Company
Chartered Accountants
FRN : 103173W

Chintan A. Ghelani
Partner
M. No.:104391

For Chaturvedi & Shah
Chartered Accountants
FRN : 101720W

Jignesh Mehta
Partner
M. No.:102749

For and on behalf of the Board of Directors

Ashokkumar Ruia
(Chairman & Managing Director)
DIN - 00086762

Shishir Shrivastava
(Jt. Managing Director)
DIN - 01266095

Atul Ruia
(Jt. Managing Director)
DIN - 00087396

Pradumna Kanodia
(Director - Finance)
DIN - 01602690

Puja Tandon
(Company Secretary)
M.No.A21937

Place : Mumbai
Date: 13th May, 2016

Annexure - I - Form AOC - I

The Phoenix Mills Limited
Form AOC - I
(Pursuant to first Proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing sailent features of the financial subsidiaries/associate company/joint ventures
Part "A" Subsidiaries
(Information in respect of each subsidiary to be presented with amount in Rupees)

Sr. No.	Name of Subsidiary Co	Reporting Currency	Share Capital	Reserve & Surplus	Total Asset	Total Liabilities	Investment	Turnover/Total Income	Profit Before Tax	Provision for Tax	Profit After Tax	Proposed Dividend	% Shareholding
	Subsidiary												
1	Alliance Spaces Private Limited	INR	19,986,940.00	938,741,791.60	1,460,064,660.45	501,335,928.85	-	1,698,267.92	-30,503,579.58	-8,605,995.26	-21,897,584.32	-	33.00%
2	Blackwood Developers Private Limited	INR	187,316,750.00	82,035,317.63	1,579,244,556.17	1,309,892,488.54	-	300,142,596.96	1,848,440.01	-	1,848,440.01	-	100.00%
3	Bellona Hospitality Services Limited	INR	43,871,200.00	-19,743,637.87	801,381,692.30	777,254,130.17	552,510,031.70	52,010,332.70	-58,250,444.48	-	-58,250,444.48	-	100.00%
4	Big Apple Real Estate Private Limited	INR	255,859,300.00	948,396,661.08	1,732,515,560.46	528,259,599.38	845,226,038.00	34,498,203.01	-14,999,313.82	-	-14,999,313.82	-	100.00%
5	Butala Farm Lands Private Limited	INR	125,000.00	49,702,270.00	50,147,358.00	320,088.00	50,000,000.00	-	-9,078.00	-	-9,078.00	-	100.00%
6	Classic Mall Development Company Private Limited	INR	76,981,160.00	2,947,115,009.14	8,672,717,640.49	5,648,621,471.35	5,000.00	2,339,671,178.96	670,187,273.87	124,301,384.89	545,885,888.98	-	50.01%
7	Enhance Holdings Private Limited	INR	100,000.00	-90,283,920.00	39,165,405.00	129,349,325.00	39,145,715.00	-	-20,017,978.00	-	-20,017,978.00	-	100.00%
8	Gangetic Developers Private Limited	INR	89,860,100.00	225,704,187.67	315,709,992.67	145,705.00	-	-	-9,107,526.99	-	-9,107,526.99	-	58.61%
9	Gangetic Hotels Private Limited	INR	49,919,980.00	15,491,091.90	2,251,511,322.58	2,186,100,250.68	-	288,028,869.18	-362,124,929.40	-	-142,423,992.00	-	42.78%
10	Grace Works Realty & Leisure Private Limited	INR	675,680.00	138,780,953.82	2,753,419,168.06	2,613,962,534.24	-	791,406,826.47	-25,129,584.38	-6,112,066.70	-19,017,517.68	-	44.02%
11	Island Star Mall Developers Private Limited	INR	286,764,730.00	2,523,607,219.00	8,418,666,935.00	5,608,294,986.00	-	1,643,043,332.00	220,544,447.00	-150,491,008.00	371,035,455.00	-	100.00%
12	Market City Resources Private Limited	INR	100,000.00	93,653,421.00	136,237,075.80	42,483,654.80	-	210,859,258.00	11,962,891.90	3,858,020.00	8,104,871.90	-	100.00%
13	Market City Management Private Limited	INR	1,000,000.00	-508.40	1,018,079.00	18,587.40	800.00	23,247.00	-11,597.00	-889.00	-10,708.00	-	100.00%
14	Mugwort Land Holding Private Limited	INR	100,000.00	838,549.49	10,224,449.46	9,285,899.97	-	196,520.00	-1,124.00	-	-1,124.00	-	94.86%
15	Offbeat Developers Private Limited	INR	315,798,410.00	2,456,687,167.00	14,673,376,393.00	11,900,890,816.00	125,000.00	2,344,117,568.00	-472,785,379.00	-78,217,669.00	-394,567,710.00	-	65.37%
16	Palladium Constructions Private Limited	INR	327,785,740.00	4,722,511,772.37	6,580,197,826.11	1,529,900,313.74	-	2,584,288,367.55	778,746,340.44	239,546,304.09	539,200,036.34	-	79.53%
17	Pallazzio Hotels & Leisure Limited	INR	120,000,000.00	213,726,441.82	11,974,876,261.86	11,641,149,820.04	595,000.00	2,213,869,365.70	-1,396,952,135.70	-	-1,396,952,135.70	-	100.00%
18	Phoenix Hospitality Company Private Limited	INR	23,214,000.00	1,527,232,229.18	1,849,692,467.18	299,246,238.00	1,843,554,959.00	632,501.00	-13,224,537.00	201,394.00	-13,425,931.00	-	56.92%

Annexure - I - Form AOC - I

Sr. No.	Name of Subsidiary Co	Reporting Currency	Share Capital	Reserve & Surplus	Total Asset	Total Liabilities	Investment	Turnover/Total Income	Profit Before Tax	Provision for Tax	Profit After Tax	Proposed Dividend	% Shareholding
19	Pinnacle Real Estate Development Private Limited	INR	100,000.00	-227,906.00	52,050,129.33	52,178,035.33	51,829,433.00	20,000.00	-10,284.00	-	-10,284.00	-	100.00%
20	Plutocrat Assets And Capital Management Private Limited	INR	100,000.00	-109,576.00	54,962.33	64,538.33	-	-	-15,078.00	-	-15,078.00	-	100.00%
21	Sangam Infrabuild Corporation Private Limited	INR	33,460,000.00	-1,549,380.00	45,285,088.00	13,374,468.00	-	-	-73,469.00	-	-73,469.00	-	100.00%
22	Savannah Phoenix Pvt. Ltd.	INR	11,632,000.00	-31,744,107.95	34,563,510.11	54,675,618.06		28,846,472.62	-11,626,831.24	-2,242,067.62	-9,384,763.62	-	100.00%
23	Upal Developers Private Limited	INR	196,000,000.00	-74,756,254.83	1,331,884,775.78	1,210,641,030.61	-	348,201,603.09	3,128,708.22	-	3,128,708.22	-	100.00%
24	Vamona Developers Private Limited	INR	250,000,000.00	1,404,307,771.63	7,649,137,424.25	5,994,829,652.62	-	1,860,124,206.13	131,050,134.44	4,828,407.00	126,221,727.44	-	86.55%

Notes:

1 Names of subsidiaries which are yet to commence operations:
   a) Butala Farm Lands Private Limited
   b) Enhance Holdings Private Limited
   c) Mugwort Land Holding Private Limited
   d) Pinnacle Real Estate Development Private Limited
   e) Plutocrat Assets And Capital Management Private Limited
   f) Sangam Infrabuild Corporation Private Limited

Annexure - I - Form AOC - I

Part "B": Associates and Joint Ventures:

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	1	2	3	4	5	6	7	8
Name of Associates / Joint Ventures	**Classic Housing Projects Private Limited**	**Mirabel Entertainment Private Limited**	**Savannah Phoenix Pvt. Ltd.**	**Starboard Hotels Private Limited**	**Galaxy Entertainment Corporation Ltd**	**Galaxy Entertainment (India) Private Limited**	**Escort Developers Private Limited**	**Gangetic Hotels Private Limited**
Latest Audited Balancesheet Date	31.3.2016	31.3.2016	31.3.2016	31.3.2016	31.3.2016	31.3.2015	31.3.2016	31.3.2016
Shares of Associates/Joint Ventures held by the Company/ Subsidiary Companies on the year end								
(i) No.	5,000	2,846	25,000	1,423,270	3,686,484	2,500,000	25,000	1,178,699
(ii) Amount of Investment in Associates / Joint Venture	50,000	30,468	250,000	14,232,697	74,309,402	25,000,000	15,950,000	59,293,564
(iii) Extend of Holding	48.00%	28.46%	50.00%	28.47%	23.56%	49.02%	50.00%	23.61%
Description of how there is significant influence	Refer Note 3	Refer Note 3	Refer Note 4 below	Refer Note 3	Refer Note 3	Refer Note 3 & 5	Refer Note 3	Refer Note 4 below
Reason why the associate/joint venture is not consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated
Networth attributable to Shareholding as per latest audited Balancesheet	220,916,843	5,619,368	Refer Note 4 below	47,081,602	(11,917,261)	72,183,959	31,870,656	Refer Note 4 below
Profit/Loss for the Year	48,983,566	(1,852,203)	N.A.	(2,038,748)	(20,225,180)	(5,618)	3149	N.A.
(i) Considered in Consolidation	23,511,359	(527,137)		(580,338)	(5,606,306)	-	-	-
(i) Not Considered in Consolidation	-	-	-	-	-	(2,754)	1,575	-

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Notes:

1. Names of Associates or joint ventures which are yet to commence operations — a) Escort Developers Private Limited b) Galaxy Entertainment (India) Private Limited
2. Name of associates or joint venture which have been liquidated or sold during the year — Nil
3. There is a significant influence due to percentage (%) of shareholding.
4 Companies are subsidiary in current year
5 Figures consider are unaudited

As per our report of even date

For A.M.Ghelani & Company
Chartered Accountants
FRN : 103173W

Chintan A. Ghelani
Partner
M. No.:104391

For Chaturvedi & Shah
Chartered Accountants
FRN : 101720W

Jignesh Mehta
Partner
M. No.:102749

For and on behalf of the Board of Directors

Ashokkumar Ruia
(Chairman & Managing Director)
DIN - 00086762

Shishir Shrivastava
(Jt. Managing Director)
DIN - 01266095

Atul Ruia
(Jt. Managing Director)
DIN - 00087396

Pradumna Kanodia
(Director - Finance)
DIN - 01602690

Puja Tandon
(Company Secretary)
M.No.A21937

Place : Mumbai
Date: 13th May, 2016

Notice

NOTICE is hereby given that the 111th Annual General Meeting of the shareholders of The Phoenix Mills Limited will be held on Thursday, the 8th day of September, 2016 at 3:30 P.M. at Indian Merchants' Chamber, 4th Floor, Walchand Hirachand Hall, Churchgate, Mumbai – 400 020 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt:
   a. the Audited Financial Statements of the Company for the Financial Year ended March 31, 2016, together with the Reports of the Board of Directors and Auditors thereon; and
   b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2016, together with the Report of the Auditors thereon.
2. To declare dividend on Equity Shares for the Financial Year ended March 31, 2016.
3. To appoint a Director in place of Mr. Pradumna Kanodia (DIN: 01602690), who retires by rotation and being eligible, has offered himself for re-appointment.
4. To re-appoint M/s. A. M. Ghelani & Company, Chartered Accountants (Firm Regn. No. 103173W) and M/s. Chaturvedi & Shah, Chartered Accountants (Firm Regn. No. 101720W) as the Statutory Auditors of the Company, to hold office from the conclusion of this meeting until conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

5. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "Resolved that pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof) and such other approvals as may be necessary in this regard, approval of the members be and is hereby accorded for re-appointment of Mr. Pradumna Kanodia (DIN: 01602690) as the Director – Finance of the Company for a period of five years with effect from April 28, 2016 without payment of remuneration from the Company.

   Resolved further that during such time as Mr. Pradumna Kanodia holds and continues to hold office of the Director – Finance, he shall be liable to retire by rotation as a Director.

   Resolved further that the Board and/or Committee thereof be and is hereby authorized to do all such acts, deeds and things as may be necessary, expedient or desirable including seeking approvals/sanctions of the government and/or other authorities/agencies as may be applicable and to settle any question or doubt that may arise in relation thereto, in order to give effect to the resolution."

6. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "Resolved that pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof) and such other approvals as may be necessary in this regard, approval of the members be and is hereby accorded for re-appointment of Mr. Shishir Shrivastava (DIN: 01266095) as Joint Managing Director of the Company for a period of five years with effect from July 30, 2016 without payment of remuneration from the Company.

   Resolved further that during such time as Mr. Shishir Shrivastava holds and continues to hold office of the Joint Managing Director, he shall be liable to retire by rotation as a Director.

   Resolved further that the Board and/or Committee thereof be and is hereby authorized to do all such acts, deeds and things as may be necessary, expedient or desirable including seeking approvals/sanctions of the government and/or other authorities/agencies as may be applicable and to settle any question or doubt that may arise in relation thereto, in order to give effect to the resolution."

On behalf of the Board of Directors

Place: Mumbai
Date: May 13, 2016

Ashokkumar Ruia
Chairman & Managing Director
DIN: 00086762

NOTES:

1. The Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013 ("the Act") with respect to the Special Business as set out in the Notice is annexed hereto and forms part of this Notice.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY.

3. A person can act as proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital carrying voting rights may appoint a single person as Proxy and such person cannot act as proxy for any other member.

4. The instrument of Proxy, if any, in order to be valid and effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours (forty eight hours) before the time fixed for the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

5. In case of joint holders attending the meeting, any such joint holder who is higher in the order of names will be entitled to vote.

6. As per Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings, information regarding appointment/re-appointment of Director (Item no. 5 and 6) is annexed hereto.

7. The Company's Registrar and Share Transfer Agents for its share registry work (Physical and Electronic) are M/s. Link Intime India Private Ltd having their office premises at C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W), Mumbai – 400 078.

8. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Registered Office of the Company at least seven days before the date of the meeting, to enable the Company to make available the required information at the meeting, to the extent possible.

9. The Register of Members and Share Transfer Books will remain closed from Friday, September 2, 2016 to Thursday, September 8, 2016 (both days inclusive) for the annual closing and for the purpose of determining the entitlement for payment of dividend.

10. Dividend for the Financial Year ended March 31, 2016, if declared at the Annual General Meeting, shall be paid on or before 30th day from the date of declaration to those shareholders, whose names appear:

    a) As beneficial owners at the end of business day on Thursday, September 1, 2016 as per lists furnished by NSDL and CDSL in respect of shares held in dematerialised form.

    b) On the register of members of the Company at the end of business day on Thursday, September 1, 2016 in respect of shares held in physical form.

11. In order to enable the Company to remit dividend through National Electronic Clearing Services (NECS), shareholders are requested to provide details of their bank accounts indicating the name of the bank, branch, account number and the nine-digit MICR code (as appearing on the cheque). It is advisable to attach a photocopy of the cheque leaf/cancelled cheque leaf. The said information should be submitted on or before Thursday, September 1, 2016 to the Company, if the shares are held in physical form and to the concerned Depository Participant (DP), if the same are held in electronic form. Payment through NECS shall be subject to availability of NECS Centres and timely furnishing of complete and correct information by members.

12. Shareholders are requested to:

    a) Intimate the Company's Registrar and Share Transfer Agent, M/s. Link Intime India Private Ltd at the above mentioned address, of changes, if any, in their registered address at an early date for shares held in physical form.

    b) Intimate to the respective DPs, changes, if any, in their registered addresses at an early date, in case of shares held in electronic form.

    c) Quote ledger folio numbers/DP ID and Client ID numbers in all their correspondence.

    d) Approach the Company for consolidation of various ledger folios into one.

e) Get the shares transferred in joint names, if they are held in a single name and/or appoint a nominee.

f) Bring with them to the meeting, their copy of the Annual Report and Attendance Slip. No copies will be distributed at the meeting as a measure of economy.

g) Send their email ID's to the Registrar and Share Transfer Agent of the Company/to the Company (for members holding shares in physical form).

h) Send/update their email ID's to the Depository Participant/Registrar and Share Transfer Agent of the Company (for members holding shares in Demat Form).

13. **Green Initiative in Corporate Governance**
As a measure towards Green Initiative, it is proposed that documents like Notices of Meetings/Postal Ballot, Annual Reports, Directors Report and Auditors' Report and other shareholder communications will be sent electronically to the email address provided by the shareholders and/or made available to the Company by the Depositories viz., NSDL/CDSL. Shareholders holding shares in dematerialized form are requested to keep their Depository Participant (DP) informed and updated of any change in their email address.

For shares held in physical form, shareholders can register their email address by sending a duly signed letter mentioning their name(s), folio no(s). and email address to the Company's Registrar & Share Transfer Agent, M/s Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400 078 or by sending an email to phoenixmillsgogreen@linkintime.co.in or alternatively can register their email address on the website of the Company at http://www.thephoenixmills.com/green/greenadd.asp

14. Pursuant to Sections 205A and 205C of the Companies Act, 1956 and other applicable provisions of the Companies Act, 2013, if any, any money transferred to the unpaid dividend account which remains unpaid or unclaimed for a period of seven years from the date of such transfer, is required to be transferred to the Investor Education and Protection Fund set up by the Central Government. Accordingly, the unpaid/unclaimed dividend for the Financial Year 2008-2009 onwards will become transferrable at the end of respective seven years to the said Fund. Shareholders are requested to send their claims, if any, for the Financial Year 2008-2009 onwards before the amount becomes due for transfer to the above Fund. Shareholders are requested to encash the dividend warrants well in advance.

15. Please note that in terms of SEBI Circulars No. MRD/DoP/Cir-05/2009 dated May 20, 2009 and No. SEBI/MRD/DoP/SE/RTA/Cir-03/2010 dated January 7, 2010, it is mandatory for the shareholders holding shares in physical form to submit self-attested copy of PAN card in the following cases:

a) Transferees' PAN Cards for transfer of shares,

b) Surviving joint holders' PAN Cards for deletion of name of deceased shareholder,

c) Legal heirs' PAN Cards for transmission of shares,

d) Joint holders' PAN Cards for transposition of shares.

In compliance with the aforesaid circulars, requests without attaching copies of PAN card, for transfer/deletion/transmission and transposition of shares of the Company in physical form will be returned under objection.

16. Members may also note that the Notice of the 111th Annual General Meeting and the Annual Report for 2016 will also be available on the Company's website www.thephoenixmills.com for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor correspondence email id: investorrelations@highstreetphoenix.com. For members who have not registered their email id, physical copy of the Annual Report for the Financial Year 2015-16 is being sent in the permitted mode.

17. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form SH-13 duly filled in to M/s. Link Intime India Private Ltd at the above mentioned address. Members holding shares in electronic form may contact their respective Depository Participant for availing this facility.

18. **Voting through electronic means**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Secretarial Standard on General Meetings (SS-2) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members, facility to exercise their right to vote at the 111th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL):

The instructions for e-voting are as under:

I. In case of shareholders receiving the Notice by e-mail:

i. The e-voting period commences on Monday, September 5, 2016 [9:00 A.M. (IST)] and ends on Wednesday, September 7, 2016 [05:00 P.M. (IST)]. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e. Thursday, September 1, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast, the shareholder shall not be allowed to change it subsequently. Any person who becomes a member of the Company after dispatch of the Notice of meeting and holding shares as on the cut-off date may obtain their User Id and password in the manner as mentioned below. Person who is not a member as on the cutoff date should treat this Notice for information purposes only.

ii. Launch internet browser by typing the URL: www.evotingindia.com.

iii. Click on 'Shareholders'

iv. Enter your Login credentials:

a. For CDSL: 16 digits beneficiary ID

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID

c. Shareholders holding shares in physical form should enter Folio Number registered with the Company.

v. Next, enter the image verification as displayed and Click on 'Login'

vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any other company, then your existing password is to be used.

vii. If you are a first time user follow the steps given below:

	For shareholders holding shares in Demat Form and Physical Form
PAN	- Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders) - Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and 8 digits of the sequence number in the PAN field - In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Date of Birth (DOB)	Enter the Date of Birth as recorded in your demat account or in the Company's records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank details in order to login. If the details are not recorded with the depository or the Company, please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv).

viii. After entering these details appropriately, click on 'Submit' tab.

ix Shareholders holding shares in physical form will then directly reach the company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting

through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

x. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xi. Click on the EVSN for 'The Phoenix Mills Limited'.

xii. On the voting page, you will see 'Resolution Description' and against the same option 'Yes/No' for voting. Select the option as desired. The option 'Yes' implies that you assent to the Resolution and the option 'No' implies that you dissent to the Resolution.

xiii. On the voting page enter the number of shares (which represents no. of votes) as on the cut-off date under 'For/Against'.

xiv. Click on the 'Resolutions File Link' if you wish to view the entire Resolution details.

xv. After selecting the resolution you have decided to vote on, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Ok', else to change your vote, click on 'Cancel' and accordingly modify your vote.

xvi. Once you 'Confirm' your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

xvii. Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.

xviii. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

xix. During the voting period, shareholders can login any number of times till they have voted on the resolution(s).

xx. You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting.

xxi. If demat account holder has forgotten the same password then enter the User ID and the image verification code and click on 'Forgot Password' and enter the details as prompted by the system.

xxii. Note for non–individual shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

xxiii. They are also required to upload a scanned certified true copy of the board resolution/authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the system for the Scrutinizer to verify the same. They may also send across a hard copy of the document to the Scrutinizer.

II. In case of shareholders receiving the Notice by post:

For shareholders whose email IDs are not registered with the Company/Depository Participant(s) and who receives the physical copy of the AGM Notice, the following instructions may be noted:

i. The User ID and initial password is provided at the bottom of the AGM Notice.

ii. Please follow all the steps from i to xxiii mentioned above to cast your vote successfully.

III. In case the shareholders have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

IV. Details of person to be contacted for issues relating to voting through Physical Ballot and E–voting:

Mr. Mangesh Satvilkar
Investor Relations Officer,
The Phoenix Mills Limited,
462, Senapati Bapat Marg,
Lower Parel, Mumbai – 400 013
Tel No.: 022-30016600
Fax No.: 022-30016818
Email: evoting@highstreetphoenix.com

V. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of Thursday, September 1, 2016. The facility for voting through ballot shall also be made available at the meeting and shareholders attending the meeting who have not already cast their vote by remote e-voting/ballot shall be able to exercise their voting right at the meeting. The shareholders who have casted their votes by remote e-voting/ballot prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

VI. Mr. Himanshu S. Kamdar, Company Secretary (Membership No. F5171) - Partner M/s. Rathi & Associates, Company Secretaries in practice has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

VII The Scrutinizer will, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and within a period of forty eight hours from the conclusion of the meeting, make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company.

VIII. In order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Ballot Form is annexed. A member desiring to exercise vote by Ballot shall complete the enclosed Ballot Form with assent (for) or dissent (against) and send it to Mr. Himanshu S. Kamdar, Scrutinizer, C/o Link Intime India Private Limited, Unit: The Phoenix Mills Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078, Tel. No: 022-25946970, Fax No: 022- 25946969, E-mail: rnt.helpdesk@linkintime.co.in so as to reach him on or before Wednesday, September 7, 2016 by 5.00 p.m. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received.

IX. The results shall be declared by the Chairman and Managing Director or any other person authorized by him in this regard on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.thephoenixmills.com and on the website of CDSL, immediately after the result is declared and communicated to the National Stock Exchange of India Ltd and BSE Limited, who are required to place them on their website.

19. The certificate from the Statutory Auditors of the Company certifying that the Company's Employee Stock Option Scheme – 2007 is being implemented in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and in accordance with the resolutions passed by the members of the Company will be available for inspection by the members at the Annual General Meeting.

20. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.

21. All documents referred to in the accompanying Notice and the Explanatory Statement will remain open for inspection at the Registered Office of the Company during normal business hours (9.30 A.M. to 6.00 P.M.) on all working days up to and including the date of the Annual General Meeting of the Company.

On behalf of the Board of Directors

Place: Mumbai
Date: May 13, 2016

Ashokkumar Ruia
Chairman & Managing Director
DIN: 00086762

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

ITEM NO. 5

Mr. Pradumna Kanodia has been serving the Board of the Company since April 28, 2011. He was appointed as Director-Finance of the Company for a period of 5 years w.e.f April 28, 2011 without payment of remuneration from the Company. His term as a Director – Finance expired on April 27, 2016. Mr. Kanodia has contributed extensively in the areas of project financing and banking, thus supporting implementation of business plans and boosting the growth of the Phoenix Group. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have re-appointed Mr. Pradumna Kanodia as Director–Finance of the Company, liable to retire by rotation, for a period of five years with effect from April 28, 2016 without payment of remuneration from the Company.

The said appointment of Mr. Pradumna Kanodia as Director – Finance of the Company without payment of remuneration would require the consent of the shareholders of the Company pursuant to Section 196 read with Schedule V of the Companies Act, 2013. The Resolution is therefore recommended for your approval.

Save and except Mr. Pradumna Kanodia, none of the other Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

ITEM NO. 6

Mr. Shishir Shrivastva has been serving the Board of the Company since March 18, 2010. He was appointed as Joint Managing Director of the Company for a period of 5 years w.e.f July 30, 2011 without payment of remuneration from the Company. His term as Joint Managing Director is due to expire on July 29, 2016. Mr. Shishir Shrivastava is spearheading the Company's business development initiatives to effect its next round of expansion plans. Considering his valuable contribution in the growth and expansion of the Company, it would, therefore be in the interest of the Company to continue to avail the benefits of his expertise.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have appointed Mr. Shishir Shrivastava as Joint Managing Director of the Company, liable to retire by rotation, for a period of five years with effect from July 30, 2016 without payment of remuneration from the Company.

The said appointment of Mr. Shishir Shrivastava as Joint Managing Director of the Company without payment of remuneration would require the consent of the shareholders of the Company pursuant to Section 196 read with Schedule V of the Companies Act, 2013. The Resolution is therefore recommended for your approval.

Save and except Mr. Shishir Shrivastava, none of the other Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

On behalf of the Board of Directors

Place: Mumbai
Date: May 13, 2016

Ashokkumar Ruia
Chairman & Managing Director
DIN: 00086762

Annexure

Name	Mr. Pradumna Kanodia	Mr. Shishir Shrivastava
DIN	01602690	01266095
Age	51	40
Qualification	B.Com, CA, CS, PGDM in Sales & Marketing Management	Graduate from IHM Bangalore
Profile and Experience	Mr. Pradumna Kanodia joined the Company as "Group Chief Financial Officer" in March, 2010. He has more than 20 years of experience in various organizations like Kanoria Dyechem Ltd., Abir Chemicals Ltd., Focus Infosys India (P) Ltd, Sobha Developers Ltd. Prior to joining the Phoenix Group, Mr. Kanodia was associated with Panchshil Realty as Group Chief Financial Officer. Currently, he heads the finance and accounts teams and plays a role in fund raising and liaising with banks for debt funding. He has been a member of our Board since April 28, 2011. He is a member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India.	Mr. Shishir Shrivastava has served the Phoenix Group for past 12 years in various capacities in the areas of corporate strategy, private equity fund raising and investor relations. While he was instrumental in shaping HSP to its current reputation, he also laid the foundations of the service and advisory vertical. He has been closely involved in establishing the Phoenix Market City projects across India. He is currently involved in new business development initiatives of the Group.
Details of Directorships held in other companies*	Acme Hospitality Services Private Limited Big Apple Real Estate Private Limited Blackwood Developers Private Limited Butala Farm Lands Private Limited Classic Housing Projects Private Limited Pallazzio Hotels & Leisure Limited Roomy Construction Company Private Limited	Alliance Spaces Private Limited Ashton Real Estate Development Private Limited Big Apple Real Estate Private Limited Blackwood Developers Private Limited Classic Housing Projects Private Limited Gangetic Developers Private Limited Insight Hotels & Leisure Private Limited Palladium Constructions Private Limited Pallazzio Hotels & Leisure Limited Phoenix Hospitality Company Private Limited Phoenix Retail Private Limited Upal Developers Private Limited Upal Hotels Private Limited
Details of Chairmanship/ Membership held in Committees**	Pallazzio Hotels & Leisure Limited – Audit Committee (Member) Blackwood Developers Private Limited – Audit Committee (Member) Big Apple Real Estate Private Limited – Audit Committee (Member)	Nil
Shareholding in the Company as on the date of Notice	Nil	47,200

*Directorships held by the Directors, as mentioned above: (i) do not include directorships held in the Company, (ii) includes directorship in Foreign Companies, Private Limited Companies and Companies under Section 8 of the Companies Act, 2013.

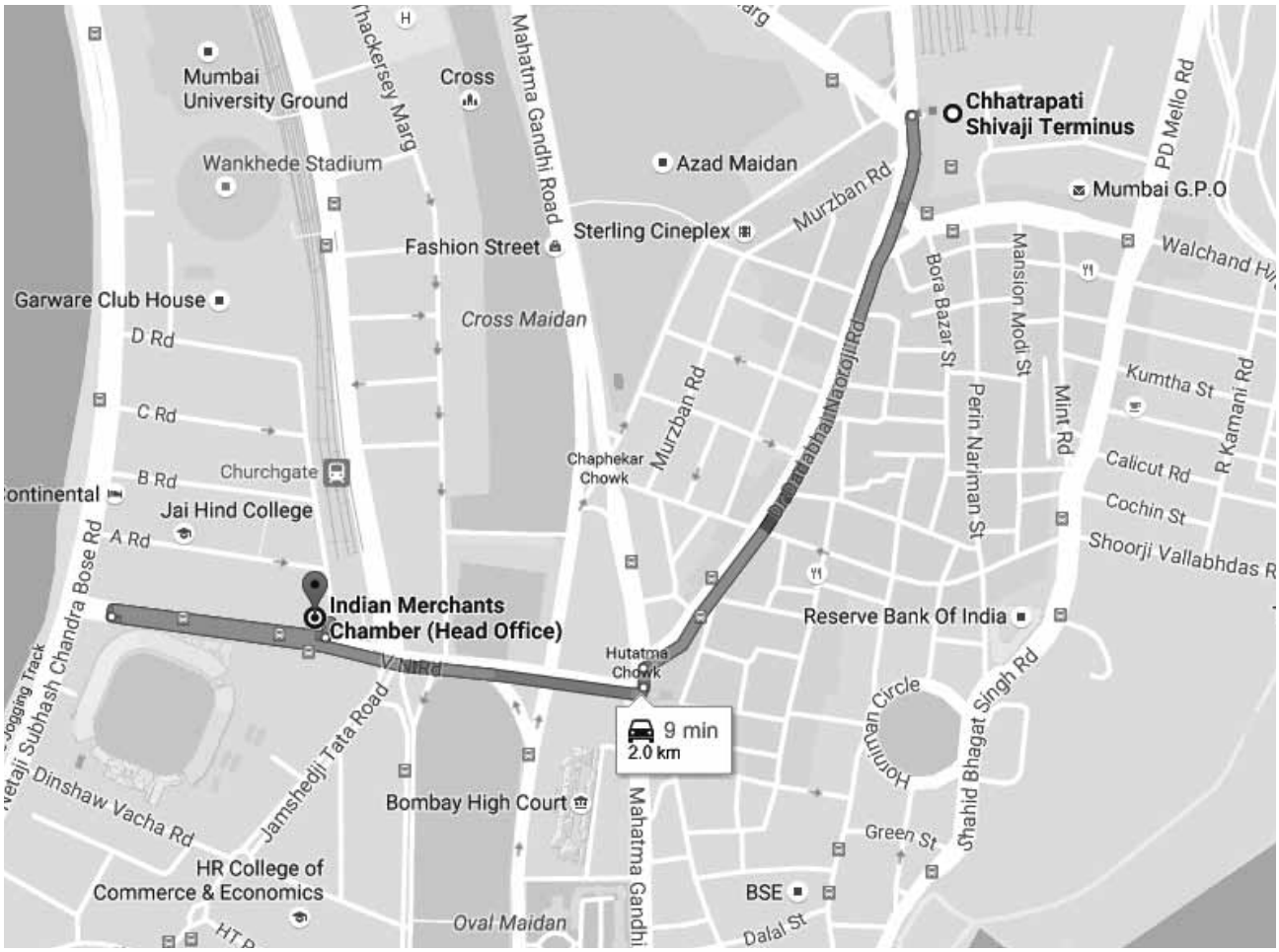
**Committees considered for the purpose are those prescribed under Regulation 26(1)(b) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 viz; Audit Committee and Stakeholders' Relationship Committee of the Indian public limited companies (including private limited companies, which are considered as public limited companies in terms of Section 2(71) of the Companies Act, 2013).

For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of Mr. Pradumna Kanodia and Mr. Shishir Shrivastava, please refer to the Corporate Governance Report.

Notice

Route Map to the Venue of AGM

Venue: Indian Merchants' Chamber, 4th Floor, Walchand Hirachand Hall, Churchgate, Mumbai – 400 020



Landmark: Opposite Churchgate Station

Distance from Chhatrapati Shivaji Terminus: 2.2 Km

Distance from Churchgate Station: 30 M

THE PHOENIX MILLS LIMITED

Registered Office: 462, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013; CIN: L17100MH1905PLC000200
Tel: (022) 2496 4307 / 8 / 9 Fax: (022) 2493 8388 Email: info@thephoenixmills.com Website: www.thephoenixmills.com

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L17100MH1905PLC000200
Name of the Company: The Phoenix Mills Limited
Registered office: 462, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013

Name of the Member(s)	
Registered Address	
Email ID	
Folio No./Client Id	
DP ID	

I/We, being the member(s) of ……. shares of the above named company, hereby appoint

1. Name: _____
Address: _____
E-mail Id: _____ Signature:_____ or failing him/her_____

2. Name: _____
Address: _____
E-mail Id: _____ Signature:_____ or failing him/her_____

3. Name: _____
Address: _____
E-mail Id: _____ Signature:_____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 111th Annual General Meeting of the Company, to be held on Thursday, 8th September, 2016 at 3:30 P.M. at Indian Merchants' Chamber, 4th Floor, Walchand Hirachand Hall, Churchgate, Mumbai – 400 020 and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Resolution No.	Description	For*	Against*
Ordinary Business			
1	Adoption of Financial Statement (including the Consolidated Financial Statements) for the Financial Year ended March 31, 2016.		
2	Declaration of dividend on equity shares.		
3	To appoint a Director in place of Mr. Pradumna Kanodia who retires by rotation and being eligible, has offered himself for re-appointment.		
4	Re-appointment of M/s. A.M. Ghelani & Company, Chartered Accountants and M/s. Chaturvedi & Shah, Chartered Accountants as Statutory Auditors.		
Special Business			
5	Re-appointment of Mr. Pradumna Kanodia as Director Finance for a term of 5 years.		
6	Re-appointment of Mr. Shishir Shrivastava as Director Finance for a term of 5 years.		

Signed this_____day of_____ 2016
Signature of shareholder _____
Signature of proxy holder(s) _____

Affix Re. 1 revenue Stamp

Notes:

*1. Please put a 'X' in the Box in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

2. A Proxy need not be a Member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty Members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other Member.

3. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ANNUAL REPORT 2015-16

Shree Laxmi Woollen Mills Estate,
2nd Floor, R. R. Hosiery Bldg.,
Off Dr. E. Moses Road,
Mahalaxmi, Mumbai - 400 011.

www.thephoenixmills.com

dickenson www.dickensonworld.com

The Phoenix Mills Limited

462, Senapati Bapat Marg, Lower Parel, Mumbai – 400013,
CIN: L17100MH1905PLC000200
Tel: (022) 2496 4307; Fax: (022) 2493 8388
Website: www.thephoenixmills.com; Email: investorrelations@highstreetphoenix.com

ATTENDANCE SLIP

111th Annual General Meeting – Thursday, September, 8, 2016

1/PX005915
YOGESH PARAB
RNO.3 RADHA NIWAS
GANESH NAGAR,
SANMANSING ROAD BHANDUP (W)
400078

I/We certify that I am a Member/Proxy for the member of the Company.

I/We hereby record my/our presence at the 111th Annual General Meeting of the Company held on Thursday, the 8th day of September, 2016 at 3.30 P.M. at Indian Merchants' Chamber, 4th Floor, Walchand Hirachand Hall, Churchgate, Mumbai – 400020 and/or any adjournment thereof.

Name : _____

Regd. Folio. No._____ No. of Shares held :_____

Client ID. No._____ DP. ID. No. :_____

Name of Proxy / Representative, if any :_____

Signature of the Shareholder(s)/Proxy/ Representative :_____

Note:

1. Member/ Proxy attending the Meeting must fill-in this Attendance Slip and hand it over at the entrance of the venue of this Meeting. Members/ Proxy are requested to bring a copy of the Annual Report at the meeting.
2. Bodies corporate, whether a Company or not, who are members, may attend through their authorised representatives appointed under Section 113 of the Companies Act, 2013. A copy of authorisation should be deposited with the Company.

The electronic voting particulars are set out below:

EVSN (Electronic Voting Sequence Number)	*Default PAN
160804026	Use Your PAN

Only members who have not updated their PAN with the Company / Depository Participant shall use default PAN in the PAN field.

The e-voting facility will be available during the following voting period:

Commencement of e-voting	End of e-voting
Monday, September 05, 2016 at 09:00 A.M.	Wednesday, September 07, 2015 at 05.00 P.M.

The Phoenix Mills Limited

Regd. Office: 462 Senapati Bapat Marg, Lower Parel, Mumbai- 400 013; CIN: L17100MH1905PLC000200

Tel: (022) 24964307; Fax: (022) 2493 8388

Website: www.thephoenixmills.com; Email: investorrelations@highstreetphoenix.com

BALLOT FORM

111th Annual General Meeting – Thursday, September, 8, 2016

(Refer point 18. VIII in the notice for Annual General Meeting.

To be returned to Scrutinizer appointed by the Company)

Name of the first named shareholder (in block letters)	
Registered postal address of the first named shareholder (In block letters)	
Name(s) of the joint holder(s)	
Registered Folio No. /*DP Id Client Id (*Applicable to investors holding shares in dematerialized form)	
No. of shares held and class of shares	

I/We hereby exercise my/our vote in respect of the Ordinary Resolution(s) enumerated below and more clearly specified in the Notice of The Phoenix Mills Limited dated May 13, 2016 to be passed at the 111thAnnual General Meeting of the Company, for the businesses stated in the said Notice by conveying my/our assent or dissent to the said Resolution in the relevant box below:

Sr. No.	Resolution	Type of resolution (Ordinary/ Special)	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)	I/We abstain to vote on the resolution (Abstain)
Ordinary Business					
1	Adoption of Financial Statement (including the Consolidated Financial Statements) for the Financial Year ended March 31, 2016.	Ordinary			
2	Declaration of dividend on Equity Shares for the Financial Year ended March 31, 2016.	Ordinary			
3	To appoint a Director in place of Mr. Pradumna Kanodia (DIN: 01602690) who retires by rotation and being eligible, has offered himself for re-appointment.	Ordinary			
4	Re-appointment of M/s. A.M. Ghelani & Company, Chartered Accountants and M/s. Chaturvedi & Shah, Chartered Accountants as Statutory Auditors.	Ordinary			
Special Business					
5	Re-appointment of Mr. Pradumna Kanodia (DIN: 01602690) as Director Finance for a term of 5 years with effect from April 28, 2016.	Ordinary			
6	Re-appointment of Mr. Shishir Shrivastava (DIN: 01266095) as Joint Managing Director for a term of 5 years with effect from July 30, 2016.	Ordinary			

Place:

Date:

_____

Shareholder's Signature