Parsvnath Realcon Private Limited
Balance sheet as at 31 March, 2018

	Notes	As at 31-March-18 Rs.in lakhs	As at 31-March-17 Rs.in lakhs
Assets			
1. Non-current assets			
a. Tax assets (Net)	6	3.81	6.94
Total non current assets		3.81	6.94
2. Current assets			
a. Inventories	3	2,966.04	2,970.68
b. Financial assets			
i. Trade receivables	4	407.15	407.15
ii. Cash and cash equivalents	5	94.24	93.19
c. Other current assets	7	1,506.36	1,452.07
Total current assets		4,973.79	4,923.09
Total assets		**4,977.60**	**4,930.03**
Equity and liabilities			
1. Equity			
a. Equity share capital	8	1.00	1.00
b. Other equity	9	176.53	250.08
Total Equity		**177.53**	**251.08**
2. Liabilities			
Current liabilities			
a. Financial liabilities			
i. Borrowings	10	4,236.52	4,220.12
ii. Trade Payables	11	427.33	402.10
iii. Other financial liabilities	12	16.87	16.48
b. Other current liabilities	13	119.35	40.25
Total current liabilities		4,800.07	4,678.95
Total equity and liabilities		**4,977.60**	**4,930.03**

See accompanying notes forming part of the financial statements **1-31**

In terms of our report attached
For S. N. Dhawan & Co. LLP
Chartered Accountants
Firm's Registration No. 000050N/N500045

Vinesh Jain
Partner
Membership No. 087701

Place: Delhi
Date: 21 May,2018

For and on behalf of the Board of Directors

Yogesh Jain
Director
DIN: 01832495

Vivek Garg
Director
DIN: 00088662

Parsvnath Realcon Private Limited
Statement of Profit and loss for the year ended 31 March, 2018

		Notes	Year ended 31 March, 2018 Rs.in lakhs	Year ended 31 March, 2017 Rs.in lakhs
I	Revenue from Operations	14	12.75	9.32
II	Other Income	15	0.38	0.88
III	**Total Income (I + II)**		**13.13**	**10.20**
IV	**Expenses**			
	a. Cost of materials consumed		-	0.03
	b. Contract cost, labour and other charges		7.45	4.38
	c. Changes in inventories of work-in-progress	16	4.64	3.39
	d. Finance costs	17	19.40	0.01
	e. Other expenses	18	55.19	25.45
	Total expenses (IV)		**86.68**	**33.26**
V	**Profit/(loss) before tax (III-IV)**		**(73.55)**	**(23.06)**
VI	Tax expense/(benefit):		-	-
VII	**Profit/(loss) for the year (V - VI)**		**(73.55)**	**(23.06)**
VIII	**Other comprehensive income**		-	-
IX	**Total comprehensive income for the year (VII + VIII)**		**(73.55)**	**(23.06)**
X	Earnings per equity share (face value Rs. 10 per share)	25		
	(1) Basic (in Rs)		(735.47)	(230.64)
	(2) Diluted (in Rs)		(735.47)	(230.64)
	See accompanying notes forming part of the financial st	**1-31**		

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DIN: 00088662

Parsvnath Realcon Private Limited
Statement of changes in equity for the year ended 31 March, 2018

A. Equity Share Capital

Particulars	Rs. In lakhs
Balance as at 31 March, 2016	1.00
Changes in equity share capital during the year	-
Balance as at 31 March, 2017	1.00
Changes in equity share capital during the year	-
Balance as at 31 March, 2018	1.00

c **Other Equity**

Rs. in lakhs

Particulars	Reserves and Surplus	
	Retained earnings	Total
Balance as at 31 March, 2016	273.14	273.14
Profit/(loss) for the year	(23.06)	(23.06)
Balance as at 31 March, 2017	250.08	250.08
Profit for the year	(73.55)	(73.55)
Other comprehensive income for the year	-	-
Balance as at 31 March, 2018	176.53	176.53

See accompanying notes forming part of the financial statements **1-31**

In terms of our report attached
For S. N. Dhawan & Co. LLP
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Vinesh Jain
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Date: 21 May, 2018

For and on behalf of the Board of Directors

Yogesh Jain
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DIN: 01832495

Vivek Garg
Director
DIN: 00088662

Parsvnath Realcon Private Limited
Statement of Cash Flows for the year ended 31 March,2018

Particulars	Notes	Year ended 31 March, 2018 Rs.in lakhs	Year ended 31 March, 2017 Rs.in lakhs
A. Cash flows from operating activities			
Profit/(loss) for the year		(73.55)	(23.06)
Adjustments for :			
Finance Costs recognised in profit or loss		19.40	0.01
		(54.15)	(23.05)
Adjustments for:			
(Increase)/decrease in inventories		4.64	3.39
(Increase)/decrease in other current assets		(54.29)	(13.25)
Increase/(decrease) in trade payables		25.23	2.13
Increase/(decrease) in other current liabilities		79.49	7.12
Cash generated from operations		0.93	(23.66)
Income Taxes paid		(3.13)	(5.66)
Net cash (used in)/generated by operating activities		**4.05**	**(18.00)**
B. Cash flows from investing activities			
Net Cash (used in) /generated by investing activities		-	-
C. Cash flows from financing activities			
Finance costs paid		(19.40)	(0.01)
Repayment of short-term borrowings		16.39	17.25
Net Cash (used in)/generated by financing activities		**(3.00)**	**17.25**
Net increase in Cash and Cash equivalents (A+B+C)		**1.05**	**(0.76)**
Cash and cash equivalents at the beginning of the year		93.19	93.95
Cash and cash equivalents at the end of the year		94.24	93.19

1) The statement of cash flow has been prepared under the indirect method as set out in Ind AS 7 on statements of cash flow.
2) Figures in brackets indicate cash outflow.

See accompanying notes forming part of the financial statements **1-31**

In terms of our report attached
For S. N. Dhawan & Co. LLP
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Vinesh Jain
Partner
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For and on behalf of the Board of Directors

Yogesh Jain
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DIN: 01832495

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1. CORPORATE INFORMATION

Parsvnath Realcon Private Limited ("the Company") was incorporated by the name Momentous Developers Private Limited. The name of the company was changed to 'Parsvnath Realcon Private Limited' with effect from 06 December, 2010 and fresh certificate of incorporation was received from Registrar of Companies, Delhi and Haryana. The Company is wholly owned subsidiary of Parsvnath Buildwell Private Limited. The Company is engaged in the business of promotion, construction and development of a residential project.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Upto the year ended 31 March, 2016, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP'). The date of transition to Ind AS is 1 April, 2015.

The financial statements are presented in Indian Rupee and all values are rounded to the nearest lakhs, except when otherwise stated.

2.2 Basis of measurement and presentation

The financial statements have been prepared on the historical cost basis unless otherwise indicated.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability

The principal accounting policies are set out below.

2.3 Revenue recognition

Revenue is recognised to the extent that it is probable that economic benefit will flow to the Company and that the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payments and excluding taxes and duties collected on behalf of the Government. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

i. Revenue from real estate projects is recognised when it is reasonable certain that ultimate collection will be made. Revenue from real estate project including integrated townships is recognised on transfer of all significant risks and rewards of ownership of such property, which generally coincides execution of agreement to sell/application form (containing salient features of agreement to sell).

Revenue from constructed properties, where the Company still has obligations to perform substantial acts even after the transfer of all significant risk and rewards, is recognised by applying the percentage of completion method, provided following conditions are met as at the reporting date:

a. all critical approvals necessary for commencement of the project have been obtained;

b. the expenditure incurred on construction and development costs (excluding land and finance cost) is not less than 25 % of the total estimated construction and development costs;

c. at least 25% of the saleable project area is secured by contracts or agreements with buyers; and

d. at least 10% of the contract consideration as per the agreements of sale/application form are realised at the reporting date in respect of such agreement and it is reasonable to expect that parties to the agreement will comply with payment terms as defined in the agreement.

When the outcome of a real estate project can be estimated reliably and the above conditions are satisfied, revenue is recognised by following the 'Percentage of Completion Method' of accounting. Revenue is recognised, in relation to the sold areas only, on the basis of percentage of actual cost incurred thereon (including land) as against the total estimated cost of the project under execution. The estimates of saleable area and costs are revised periodically by the management. The effect of such changes to estimates is recognised in the period such changes are determined.

ii. In case of joint development projects, wherein land owner provides land and the Company acts as a developer and in lieu of land, the Company has agreed to transfer certain percentage of the revenue proceeds, the revenue is accounted on gross basis. In case, where, in lieu of the land, the Company has agreed to transfer certain percentage of constructed area, revenue is recognised in respect of Company's share of constructed area to the extent of Company's percentage share of the underlying real estate development project.

iii. Revenue from sale of land without any significant development is recognised when the sale agreement is executed resulting in transfer of all significant risk and rewards of ownership and possession is handed over to the buyer. Revenue is recognised, when transfer of legal title to the buyer is not a condition precedent for transfer of significant risks and rewards of ownership to the buyer.

iv. Revenue from sale of development rights is recognised when agreements are executed.

vi The revenue on account of interest on delayed payment by customers and expenditure on account of compensation / penalty for project delays are accounted for at the time of acceptance / settlement with the customers due to uncertainties with regard to determination of amount receivable / payable.

x. Interest income on bank deposits is recognised on accrual basis on a time proportion basis. Interest income on other financial instruments is recognised using the effective interest rate method.

2.4 Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalised/inventorised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use or sale.

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

2.5 Taxation

Income tax expense for the year comprises of current tax and deferred tax.

Current tax

Current tax is the expected tax payable on the taxable income for the year calculated in accordance with the Income Tax Act and any adjustment to taxes in respect of previous years.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding amounts used in the computation of taxable income. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, the carry forward of unused tax losses and unused tax credits. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

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

Current and deferred tax for the year

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

2.6 Inventories

Inventory comprises completed property for sale and property under construction (work-in-progress),

Land cost, construction cost, direct expenditure relating to construction activity and borrowing cost during construction period is inventorised to the extent the expenditure is directly attributable to bring the asset to its working condition for its intended use. Costs incurred/items purchased specifically for projects are taken as consumed as and when incurred/received.

i. Completed unsold inventory is valued at lower of cost and net relisable value. Cost of inventories are determined by including cost of land (including development rights), internal development cost, external development charges, materials, services, related overheads and apportioned borrowing costs.

ii. Work in progress is valued at lower of cost and net relisable value. Work-in-progress represents costs incurred in respect of unsold area of the real estate projects or costs incurred on projects where the revenue is yet to be recognised. Cost comprises cost of land (including development charges), internal development cost, external development charges, materials, services, overhead related to projects under construction and apportioned borrowing costs.

2.7 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. When discounting is used the increase in the provisions due to the passage of time is recognised as finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.8 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. The Company does not recognise a contingent liability, but discloses its existence in the financial statements.

2.9 Cash and cash equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprises cash on hand, cash at bank and short-term deposits with banks with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.10 Unbilled receivables

Unbilled receivables represent revenue recognised on 'Percentage of Completion Method' less amount due from customers as per payment plans adopted by them.

2.11 Earnings per share

Basic earnings per share is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period and for all period presented is adjusted for events, such as bonus shares, that have changed the number of equity shares outstanding without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit for the year attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

2.12 Current/non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. As asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period;
- Cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current

- A liability is treated as current when :

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

All other liabilities are classified as non-current.

2.13 Operating cycle

The operating cycle is the time gap between the acquisition of the asset for processing and their realization in cash and cash equivalents. Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 48 months for real estate projects and 12 months for others for the purpose of classification of its assets and liabilities as current and non-current.

2.14 Financial instruments

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

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

2.15 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit -adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company's measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.16 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with

the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements in conformity with recognition and measurement principles of Ind AS requires the Management to make judgments, estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that these assumptions and estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

Revenue recognition

Revenue is recognised by following percentage of completion method. The percentage of completion is measured by reference to percentage cost incurred till date to estimated total cost of the project. The Company estimates total cost of the project at the time of launch of the project. These are reviewed at each reporting date. Significant assumptions are required in determining the stage of completion and the estimated total contract cost. These estimates are based on events existing at the end of each reporting date.

Net realisable value of inventory

Inventory of real estate property including work-in-progress is valued at lower of cost and net realisable value (NRV). NRV of completed property is assessed by reference to market prices existing at the reporting date and based on comparable transactions made by the Company and/or identified by the Company for properties in same geographical area. NRV of properties under construction/development is assessed with reference to marked value of completed property as at the reporting date less estimated cost to complete.

Deferred tax assets

Recognition of deferred tax assets is based on estimates of taxable profits in future years. The Company prepares detailed cash flow and profitability projections, which are reviewed by the board of directors of the Company.

Others

Significant judgements and other estimates and assumptions that may have the significant effect on the carrying amount of assets and liabilities in future years are:

a. Useful life of property, plant and equipment
b. Measurement of contingent liabilities and expected cash outflows
c. Provision for expected credit losses

Recent accounting pronouncements

a. Standard issued but not yet effective:

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 on 28 March, 2018. As per these rules, Ind AS 115 "Revenue from Contracts with customers' supersedes Ind AS 11 "Construction contracts" and Ind AS 18 "Revenue". Ind AS 115 shall be applicable to the Company for accounting period commencing on or after 1 April, 2018. The Company is evaluating the effect of this standard.

b. Amendments to Existing standards:

The MCA has also carried amendments to the following existing Ind AS

i. Ind AS 40 – Investment property
ii. Ind AS 12 – Income Taxes
iii. Ind AS 28 – Investments in associates and joint ventures
iv. Ind AS 112 – Disclosure of interest in other entities

These amendments will be effective for accounting period commencing on or after 1 April, 2018. These amendments are not expected to have any significant impact on the Company's financial statements.

Parsvnath Realcon Private Limited
Notes to the financial statements for the year ended 31 March,2018

	As at 31-March-18 Rs. In lakhs	As at 31-March-17 Rs. In lakhs
3. Inventories		
(lower of cost and net realisable value)		
a. Work-in-progress	2,966.04	2,970.68
	2,966.04	**2,970.68**

Note:

Details of inventory expected to be realised after more than 12 months from the reporting date is as under:

Less than 12 months	-	-
More than 12 months	2,966.04	2,970.68
	2,966.04	**2,970.68**

4. Trade Receivable

Current		
a. Unsecured, considered good	407.15	407.15
	407.15	**407.15**

1. The average credit period is 30 days. For payments, beyond credit period, interest is charged at 18% per annum on outstanding balances.

2. The real estate sales are made on the basis of cash down payment or construction linked payment plans. In case of construction linked payment plans, invoice is raised on the customer in accordance with milestones achieved as per the flat buyer agreement. The final possession of the property is offered to the customer subject to payment of full value of consideration. The possession of the property remains with the Company till full payment is realised. Accordingly, the Company does not expects any credit losses.

3. Sales are generally made to individual customers and there is no concentration of credit to a single customer or group of customers

5. Cash and cash equivalents

a. Balances with banks	94.17	93.15
b. Cash on hand	0.07	0.04
	94.24	**93.19**

6. Tax assets(net)

a. Tax Refund receivable	3.81	6.94
	3.81	**6.94**

7. Other assets

Current		
a. Security deposit to others	0.07	0.07
b. Advances to suppliers	10.02	10.02
c. Mobilisation advance to contractors	7.03	7.03
d. GST credit receivable	88.91	89.86
e. Unbilled receivables	1,400.33	1,345.09
	1,506.36	**1,452.07**

	As at 31-March-18 Rs. In lakhs	As at 31-March-17 Rs. In lakhs
8. Equity Share Capital		
Equity share capital	1.00	1.00
	1.00	**1.00**
Authorised Share Capital		
10,000 /-fully paid equity shares of Rs.10 each (as at 31 March 2017:10,000)	1.00	1.00
Issued,subscribed and fully paid share capital		
10,000 /-fully paid equity shares of Rs.10 each (as at 31 March 2017:10,000)	1.00	1.00
	1.00	**1.00**

8.1 Reconciliation of share capital

	Number of Shares in	Share Capital Rs./lakhs
Balance as at March 31, 2016	10,000	1.00
Movements during the year	-	-
Balance as at March 31, 2017	10,000	1.00
Movements during the year	-	-
Balance as at March 31, 2018	10,000	1.00

8.2-Rights, preferences and restrictions attached to equity shares

The Company has issued one class of equity shares having face value of Rs. 10 each. Each shareholder is entitled to one vote per share. Dividend proposed by the board of directors is subject to approval of the shareholders in Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

8.3- Details of share held by the holding company, its subsidiaries and associates

	As at 31-March-18	As at 31-March-17
	Number	**Number**
Holding company		
Parsvnath Buildwell Private Limited and its nominees	10,000	10,000
Subsidiaries of the holding Company	-	-
Associates of the holding company	-	-

8.4- Details of shares held by each shareholder holding more than 5%

	As at March 31, 2018		As at March 31, 2017	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Parsvnath Buildwell Private Limited and its nominees	10,000	100.00%	10,000	100.00%

		As at 31-March-18 Rs. In lakhs	As at 31-March-17 Rs. In lakhs
9.	**Other Equity**		
a.	Retained earnings	176.53	250.08
		176.53	250.08
a.	**Retained earnings**		
	Balance at the beginning of the year	250.08	273.14
	Movements	(73.55)	(23.06)
	Balance at the end of the year	176.53	250.08

Nature and purpose of reserves:

a. Retained earnings - Retained earnings are profits of the Company earned till date.

	As at 31-March-18	As at 31-March-17
	Rs. In lakhs	Rs. In lakhs
10. Borrowings		
Current		
a. Loans from related parties Interest free loan from Holding Company (payable on demand)	4,236.52	4,220.12
	4,236.52	**4,220.12**
11. Trade Payables		
Current		
a. Trade payables		
i. for land	300.00	300.00
ii. others	127.33	102.10
	427.33	**402.10**

Note:
As per the information available with the Company, trade payables do not include any amount due to Micro and Small Enterprises as defined under 'Micro, Small and Medium Enterprises Developments Act, 2006' (MSMED Act, 2006) and no interest has been paid or payable in terms of MSMED Act, 2006.

	As at 31-March-18	As at 31-March-17
12. Other Financial Liabilities		
Current		
a. Security deposits received	16.87	16.48
	16.87	**16.48**
13. Other liabilities		
a. Advance received from customer	0.36	0.36
b. Statutory dues (Withholding Taxes, GST etc.)	0.78	2.93
c. Advance from related party	118.21	36.96
	119.35	**40.25**

Parsvnath Realcon Private Limited
Notes to the financial statements for the year ended 31 March,2018

	Year ended 31 March, 2018 Rs.in lakhs	Year ended 31 March, 2017 Rs.in lakhs
14. Revenue from Operations		
a. Revenue from operations	12.75	9.32
	12.75	**9.32**

Note:
Revenue from sale of properties comprise revenue recognised on Real Estate Projects on 'Percentage of completion method'

	Year ended 31 March, 2018 Rs.in lakhs	Year ended 31 March, 2017 Rs.in lakhs
15. Other Income		
a. Interest on Income Tax Refund	0.38	0.88
	0.38	**0.88**
16. Changes in inventories of work-in-progress		
a. Inventories at the beginning of the year		
i. Work in progress	2,970.68	2,974.07
a. Inventories at the end of the year		
i. Work in progress	2,966.04	2,970.68
Net (increase)/decrease	**4.64**	**3.39**
17. Finance Costs		
a. Interest expenses:		
i. on customers payments	18.87	-
ii. on delayed payment of statutory liabilities	0.53	0.01
	19.40	**0.01**
18. Other expenses		
a. Power and fuel	0.81	1.43
b. Travelling and conveyance	0.03	0.01
c. Rates and Taxes	1.39	0.19
d. Printing and stationery	0.22	0.09
e. Advertisement and busness promotion	-	0.02
f. Legal and professional charges	41.90	21.06
g. Payment to auditors (see note below)	2.00	2.00
h. Miscellaneous expenses	8.84	0.65
	55.19	**25.45**

Note
Payment to auditors(net of GST credit)

i. Statutory audit fees	**2.00**	**2.00**

	As at 31 March, 2018 Rs. in lakhs	As at 31 March, 2017 Rs. in lakhs
19. Contingent liabilities		
Claims against the Company not acknowledged as debts*		
- Customers complaints pending in consumer court	5,331.47	4,112.49

*It is not possible for the company to estimate cash outflows.The extent to which an outflow of funds will be required is dependent on the pending resolution of the respective proceedings/legal cases and it is determinable on receipt of judgement/decision pending with various forums/authorities/court.

20. Commitments

The company does not have any significant financial commitments.

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

22. Related party disclosures

i. List of related parties(With whom the company has transactions during the year)

(a) Ultimate Holding Company
- Parsvnath Developers Limited (PDL)

(b) Holding Company
- Parsvnath Buildwell Private Limited (PBPL)

ii. Balances outstanding/transactions with related parties

	PDL Rs. In lakhs	PBPL Rs. In lakhs
(a) Transactions during the year		
Advances received	81.25	16.40
	(4.76)	(17.25)
Reimbursement of expenses (received)	-	-
	(3.82)	(-)
(b) Balances as at year-end		
Short-term borrowings	-	4,236.52
	(-)	(4,220.12)
Trade payables for land	300.00	-
	(300.00)	(-)
Other current liabilities	118.21	-
	(36.96)	(-)

Notes:
1 Related party transactions enetered during the year were in ordinary course of business and are on arm's length basis.

2 Figures in brackets represent figures as at and for the year ended 31 March, 2017.

23. Pursuant to Memorandum of Understanding dated 22 December, 2010 entered into with Parsvnath Developers Limited (PDL) and Parsvnath Buildwell Private Limited ('the Holding Company'), PDL had transferred and assigned Development rights of the project, namely, "Parsvnath Paramount" on land admeasuring 6,445 Square meters situated at Subhash Nagar, New Delhi to the Company for a total consideration of Rs. 6,000 lakhs during the financial year 2010-11.

24. Segment reporting

The Company is engaged in the business of 'Real Estate'. For management purposes, there is single reportable segment. Accordingly disclosure required by Ind AS 108 'Operating Segmment" have not been provided in the financial statements.

The Company operates in single geographical area of India. Accordingly, geographical information has not been reported

There is no single customer contributed 10% or more to the Company's revenue during the year 2017-18 and 2016-17.

25. Earnings per share

			As at 31 March, 2018	As at 31 March, 2017
i.	Net loss)for calculation of basic and diluted earnings per share	Rs in lakhs	(73.55)	(23.06)
ii.	Weighted average number of equity shares outstanding during the year	Number	10,000	10,000
iii.	Basic and diluted earnings per share	Rs.	(735.47)	(230.64)
iv.	Nominal value of equity shares	Rs.	10	10

26. Corporate social responsibility

In terms of provisions of section 135 of the Companies Act, 2013, the Company was not required to spend any amount on activities relating to Corporate Social Responsibilities (CSR).

27. Financial Instruments

The carrying amounts and fair values of financial instruments by categories is as follows:

Rs. In lakhs

	As at 31-March-18				As at 31-March-17			
	Total	**Amortised Cost**	**At cost**	**FVTPL**	**Total**	**Amortised Cost**	**At cost**	**FVTPL**
Financial assets								
i. Trade receivables	407.15	407.15	-	-	407.15	407.15	-	-
ii. Cash and cash equivalents	94.24	94.24	-	-	93.19	93.19	-	-
iii. Other financial assets	-	-	-	-	-	-	-	-
Total financial assets	**501.39**	**501.39**	-	-	**500.34**	**500.34**	-	-
Financial liabilities								
i. Borrowings	4,236.52	4,236.52	-	-	4,220.12	4,220.12	-	-
ii. Trade Payables	427.33	427.33	-		402.10	402.10	-	
iii. Other financial liabilities	16.87	16.87	-		16.48	16.48	-	
Total financial liabilities	**4,680.72**	**4,680.72**	-	-	**4,638.70**	**4,638.70**	-	-

The Company has disclosed financial instruments such as trade receivables, other financial assets, trade payables, borrowings and other financial liabilities at carrying value because their carrying amounts are reasonable approximation of the fair values.

28. Financial Risk Management

The Company's business operations are exposed to various financial risks such as liquidity risk, market risks, credit risk, interest rate risk, funding risk etc. The Company's financial liabilities mainly includes borrowings taken for the purpose of financing company's operations. Financial assets mainly includes trade receivables, [illegible]

The Company has a system based approach to financial risk management. The Company has internally instituted an integrated financial risk management framework comprising identification of financial risks and creation of risk management structure. The financial risks are identified, measured and managed in accordance with the Company's policies on risk management. Key financial risks and mitigation plans are reviewed by the board of directors of the Company.

Liquidity Risk

Liquidity risk is the risk that the Company may face to meet its obligations for financial liabilities. The objective of liquidity risk management is that the Company has sufficient funds to meet its liabilities when due. The Company is under stressed conditions, which has resulted in delays in meeting its liabilities. The Company, regularly monitors the cash outflow projections and arrange funds to meet its liabilities.

The following table summarises the maturity analysis of the Company's financial liabilities based on contractual undiscounted cash outflows:

Rs. in lakhs

	Carrying amount	Payable within 1 year	Payable in 1-3 years	Payable more than 3 years
As at 31 March, 2018				
Borrowings	4,236.52	4,236.52	-	-
Trade payables	427.33	427.33	-	-
Other financial liabilities	16.87	-	16.87	-
	4,680.72	**4,663.85**	**16.87**	**-**
As at 31 March, 2017				
Borrowings	4,220.12	4,220.12	-	-
Trade payables	402.10	402.10	-	-
Other financial liabilities	16.48	-	16.48	-
	4,638.70	**4,622.22**	**16.48**	**-**

Market risk

Market risk is the risk that future cash flows will fluctuate due to changes in market prices i.e. interest rate risk and price risk.

A. Interest rate risk

Interest rate risk is the risk that the future cash flows will fluctuate due to changes in market interest rates. The Company has interest free short term borrowings, hence interest rate risk is not material.

B. Price risk

The Company has very limited exposure to price sensitive securities, hence price risk is not material.

Credit Risk

Credit risk is the risk that customer or counter-party will not meet its obligation under the contract, leading to financial loss. The Company is exposed to credit risk for receivables from its real estate customers and refundable security deposits.

Customers credit risk is managed, generally by receipt of sale consideration before handing over of possession and/or transfer of legal ownership rights. The Company credit risk with respect to customers is diversified due to large number of real estate projects with different customers spread over different geographies.

Based on prior experience and an assessment of the current receivables, the management believes that there is no credit risk and accordingly no provision is required. The ageing of trade receivables is as below:

	As at 31 March, 2018 Rs. in lakhs	As at 31 March, 2017 Rs. in lakhs
Outstanding for more than 6 months	407.15	407.15
Outstanding for 6 months or less	-	-
	407.15	**407.15**

29. Capital Management

For the purpose of capital management, capital includes equity capital, share premium and retained earnings. The Company maintains balance between debt and equity. The Company monitors its capital management by using a debt-equity ratio, which is total debt divided by total capital.

The debt-equity ratio at the end of the reporting period is as follows:

	As at 31 March, 2018 Rs. in lakhs	As at 31 March, 2017 Rs. in lakhs
Borrowings:		
- Long term	-	-
- Short term	4,236.52	4,220.12
- Current maturities of long term borrowings	-	-
Total borrowings - A	**4,236.52**	**4,220.12**
Equity		
- Share capital	1.00	1.00
- Other equity	176.53	250.08
Total Equity - B	**177.53**	**251.08**
Debt to equity ratio (A/B)	23.86	16.81

30. Events after the reporting period

There are no event observed after the reported period which have an impact on the Company's operation.

31. Approval of the financial statements

The financial statements were approved for issue by Board of Directors on 21 May, 2018.

For and on behalf of the Board of Directors

Yogesh Jain
Director
DIN: 01832495

Vivek Garg
Director
DIN: 00088662

Place: Delhi
Date: 21 May,2018