

**PARSVNATH HB PROJECTS PRIVATE LIMITED**  
**BALANCE SHEET AS AT 31 MARCH, 2019**

	Notes	As at 31-March-19 ₹	As at 31-March-18 ₹
<b>Assets</b>			
<b>1. Non-current assets</b>			
a. Financial assets			
i. Other financial assets	3	1,08,550	1,08,550
Total non-current assets		<u>1,08,550</u>	<u>1,08,550</u>
<b>2. Current assets</b>			
a. Inventories	4	1,47,42,34,660	1,37,82,86,113
b. Financial assets			
i. Trade receivables	5	-	2,41,74,117
ii. Cash and cash equivalents	6	1,30,113	1,52,835
c. Other current assets	7	17,47,830	17,47,830
Total current assets		<u>1,47,61,12,604</u>	<u>1,40,43,60,894</u>
<b>Total assets</b>		<u><b>1,47,62,21,154</b></u>	<u><b>1,40,44,69,444</b></u>
<b>Equity and Liabilities</b>			
<b>1. Equity</b>			
a. Equity share capital	8	4,90,200	4,90,200
b. Other equity	9	(9,71,19,888)	(6,46,20,214)
Total Equity		<u>-9,66,29,688</u>	<u>(6,41,30,014)</u>
<b>2. Liabilities</b>			
<b>Non-current liabilities</b>			
a. Financial liabilities			
i. Borrowings	10	67,68,08,311	59,25,03,372
b. Other non-current liabilities	11	35,00,00,000	35,00,00,000
Total non-current liabilities		<u>1,02,68,08,311</u>	<u>94,25,03,372</u>
<b>Current liabilities</b>			
a. Financial liabilities			
i. Trade Payables	12	48,12,93,776	48,12,77,796
ii. Other financial liabilities	13	1,68,835	1,68,835
b. Other current liabilities	14	6,45,79,920	4,46,49,455
Total current liabilities		<u>54,60,42,531</u>	<u>52,60,96,086</u>
<b>Total liabilities</b>		<u><b>1,57,28,50,841</b></u>	<u><b>1,46,85,99,458</b></u>
<b>Total equity and liabilities</b>		<u><b>1,47,62,21,154</b></u>	<u><b>1,40,44,69,444</b></u>

See accompanying notes forming part of the financial statements 1-32

In terms of our report of even date attached.

**For DINESH JAIN & ASSOCIATES**  
Chartered Accountants  
(FRN 004885N)

*Neha Jain*  
**NEHA JAIN, FCA**  
PARTNER  
M. No. 514725



For and on behalf of the Board

*Smili*  
**Director**

*Ashish*  
**Director**

Place: Delhi  
Date: 24 May 2019

**PARSVNATH HB PROJECTS PRIVATE LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR PERIOD 31 MARCH, 2019**

	Notes	Year ended 31 March, 2019	Year ended 31 March, 2018
		₹	₹
I Revenue from Operations	15	-	(76,08,590)
<b>Total Income (I)</b>		<b>-</b>	<b>(76,08,590)</b>
II <b>Expenses</b>			
a. Contract cost, labour and other charges		-	-
b. Changes in inventories of finished goods and work-in-progress	16	(6,22,26,598)	(6,40,64,817)
c. Finance costs	17	6,22,26,598	6,07,34,082
d. Other expenses	18	14,24,445	89,24,241
<b>Total expenses (II)</b>		<b>14,24,445</b>	<b>55,93,506</b>
III <b>Profit/(loss) before tax (I- II)</b>		<b>(14,24,445)</b>	<b>(1,32,02,096)</b>
IV Tax expense/(benefit):			
a. Deferred tax		-	-
V <b>Profit/(loss) for the year (III-IV)</b>		<b>(14,24,445)</b>	<b>(1,32,02,096)</b>
VI <b>Other comprehensive income</b>		-	-
VII <b>Total comprehensive income for the year (V+ VI)</b>		<b>(14,24,445)</b>	<b>(1,32,02,096)</b>
VIII Earnings per equity share (face value Rs. 10 per share)	25		
a. Basic (in Rs.)		(29.06)	(269.32)
b. Diluted (in Rs.)		(29.06)	(269.32)
See accompanying notes forming part of the financial statements	1-32		

In terms of our report of even date attached.

**For DINESH JAIN & ASSOCIATES**  
Chartered Accountants  
(FRN 004885N)

**NEHA JAIN, FCA**  
PARTNER  
M. No. 514725



For and on behalf of the Board

*(Signature)*  
Director

*(Signature)*  
Director

Place: Delhi  
Date: 24 May 2019

**PARSVNATH HB PROJECTS PRIVATE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2019**

**a Equity Share Capital**

<u>Particulars</u>	<u>Amount</u>
	₹
<b>Balance as at 1 April, 2017</b>	4,90,200
Changes in equity share capital during the year	-
<b>Balance as at 31 March, 2018</b>	4,90,200
Changes in equity share capital during the year	-
<b>Balance as at 31 March, 2019</b>	4,90,200

**b Other Equity**

**Reserves & Surplus**

<u>Particulars</u>	<u>Retained earnings</u>	<u>Total</u>
<b>Balance as at 1 April, 2017</b>	(5,14,18,118)	(5,14,18,118)
Profit for the year	(1,32,02,096)	(1,32,02,096)
Other comprehensive income for the year	-	-
<b>Balance as at 31 March, 2018</b>	(6,46,20,214)	(6,46,20,214)
Profit for the year	(14,24,445)	(14,24,445)
Other comprehensive income for the year	-	-
Add: Adjustment due to application of Ind AS 115 (see note 29)	(3,10,75,230)	(3,10,75,230)
<b>Balance as at 31 March, 2019</b>	(9,71,19,888)	(9,71,19,888)

See accompanying notes forming part of the financial statements

In terms of our report of even date attached.

**For DINESH JAIN & ASSOCIATES**  
Chartered Accountants  
(FRN 004885N)

**NEHA JAIN, FCA**  
PARTNER  
M. No. 514725



For and on behalf of the Board

*(Signature)*  
Director

*(Signature)*  
Director

Place: Delhi  
Date: 24 May 2019

**PARSVNATH HB PROJECTS PRIVATE LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2019**

	Year ended 31 March, 2019 ₹	Year ended 31 March, 2018 ₹
<b>Cash flows from operating activities</b>		
Profit/(loss) for the year	(14,24,445)	(1,32,02,096)
Adjustments for :		
Finance Costs recognised in profit or loss	6,22,26,598	6,07,34,082
	<b>6,08,02,153</b>	<b>4,75,31,986</b>
Movements in working capital		
(Increase)/decrease in trade and other receivables	-	(26,43,686)
(Increase)/decrease in inventories	(6,22,26,598)	(6,40,64,817)
(Increase)/decrease in other assets	-	-
Increase/(decrease) in trade payables	15,980	(3,23,980)
Increase/(decrease) in provisions	-	-
Increase/(decrease) in deferred revenue	-	-
Increase/(decrease) in other liabilities	(2,06,92,598)	(58,91,174)
<b>Cash generated from operations</b>	<b>(2,21,01,063)</b>	<b>(2,53,91,670)</b>
Income Taxes paid	-	-
<b>Net cash (used in)/generated by operating activities</b>	<b>(2,21,01,063)</b>	<b>(2,53,91,670)</b>
<b>Cash flows from investing activities</b>		
<b>Net Cash (used in) /generated by investing activities</b>	<b>0</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	8,43,04,939	8,61,37,578
Repayment of borrowings	-	-
Interest paid	(6,22,26,598)	(6,07,34,082)
<b>Net Cash (used in)/generated by financing activities</b>	<b>2,20,78,341</b>	<b>2,54,03,496</b>
<b>Net increase in Cash and Cash equivalents</b>	<b>(22,722)</b>	<b>11,826</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1,52,835</b>	<b>1,41,009</b>
<b>Cash and cash equivalents at the end of the year (refer note 6)</b>	<b>1,30,113</b>	<b>1,52,835</b>

- 1) The statement of cash flows has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statements of cash flows'.  
2) Figures in brackets indicate cash outflows.

See accompanying notes forming part of the financial statements

In terms of our report of even date attached.

**For DINESH JAIN & ASSOCIATES**  
Chartered Accountants  
(FRN 004885N)

*Neha Jain*  
**NEHA JAIN, FCA**  
PARTNER  
M. No. 514725



For and on behalf of the Board

*Smriti* Director  
*Ashish* Director

Place: Delhi  
Date: 24 May 2019

**PARSVNATH HB PROJECTS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

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**1 Corporate Information**

PARSVNATH HB PROJECTS PRIVATE LIMITED incorporated on 20.03.2008 as Gazala Promoters & Developers Private Limited. The name of the company has changed to "Parsvnath HB Projects Private Limited" with effect from 09.05.2013 and fresh certificate of incorporation was issued by the Registrar of Companies, Delhi and Haryana. The company has become a subsidiary of Parsvnath Developers Limited w.e.f. 31.12.2012. It has been set up to purchase land, immovable property or right therein and to promote the development and construction of real estate projects. The company has taken over the business of Parsvnath Developers (AOP) as a going concern for development of a multiplex, shopping mall and hotel thereon on the land measuring 8,787.78 sq. yards at Mohali, Punjab w.e.f. 31.12.2012.

**2 Significant Accounting Policies :**

**2.1 Statement of compliance**

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1 April 2016.

Upto the year ended 31 March 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013.

**2.2 Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An 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, or
- Cash or cash equivalent 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 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

**2.3 Basis of preparation and presentation**

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

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

**2.4 Use of estimates**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

**2.5 Inventories**

Work in progress is valued at lower of cost or net realisable value. Cost comprises cost of land, materials, services and other overheads related to projects under construction.



## **2.6 Revenue recognition**

Revenue from real estate projects - The Company derives revenue, primarily from sale of properties comprising of both commercial. Revenue from sale of constructed properties is recognised at a 'Point of Time', when the Company satisfies the performance obligations, which generally coincides with completion/possession of the unit. To estimate the transaction price in a contract, the Company adjusts the contracted amount of consideration to the time value of money if the contract includes a significant financing component

## **2.7 Borrowing costs**

Borrowing costs include interest; amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

## **2.8 Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) 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.

## **2.7 Taxation**

Income tax expense represents the current tax. Current tax is the amount of tax payable as determined in accordance with the provisions of the Income Tax Act, 1961.

## **2.9 Financial Instruments**

### **A. Initial recognition**

Financial assets and financial liabilities are recognised when a Company entity 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.

### **Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

### **B. Subsequent measurement**

#### **I. Non-derivative financial instruments**

##### **a. Financial assets carried at amortised cost**

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

##### **b. Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.



**c. Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

**d. Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**II. Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

**2.10 Operating Cycle**

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 48 months for the purpose of classification of its assets and liabilities as current or non current.



**PARSVNATH HB PROJECTS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

	As at 31-March-19 ₹	As at 31-March-18 ₹
<b>3 . Other financial assets</b>		
<b>Non-Current</b>		
a. Security Deposits	1,08,550	1,08,550
	<u>1,08,550</u>	<u>1,08,550</u>
<b>4 . Inventories</b> (lower of cost and net realisable value)		
a. Work-in-progress	1,47,42,34,660	1,37,82,86,113
	<u>1,47,42,34,660</u>	<u>1,37,82,86,113</u>

Note:

The Company has classified its inventory of work-in-progress as current.

**5 . Trade Receivable**

**Current**

a. Unsecured, considered good Outstanding for more than six months	-	2,41,74,117
	<u>-</u>	<u>2,41,74,117</u>

Notes:

- The average credit period is 30 days. For payments, beyond credit period, interest is charged at 18% per annum on outstanding balances.
- 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.
- Sales are generally made to individual customers and there is no concentration of credit to a single customer or group of customers

**6 . Cash and cash equivalents**

a. Balances with banks	31,308	48,420
b. Cash on hand	98,805	1,04,415
	<u>1,30,113</u>	<u>1,52,835</u>

**7. Other assets**

**Current**

a. Advance to Vendors	17,47,830	17,47,830
	<u>17,47,830</u>	<u>17,47,830</u>





**PARSVNATH HB PROJECTS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

	As at 31-March-19 ₹	As at 31-March-18 ₹
<b>8 .Equity Share Capital</b>		
<b>Authorised Share Capital</b>		
50,000 fully paid equity shares of Rs 10 each (as at March 31st, 2018: 50,000).	5,00,000	5,00,000
<b>Issued, Subscribed and Fully paid shares</b>		
49,020 fully paid equity shares of Rs 10 each (as at March 31st, 2018: 49,020).	4,90,200	4,90,200
	<b>4,90,200</b>	<b>4,90,200</b>

**8.1 - Reconciliation of share capital**

	Number of Shares in	Share Capital ₹/lacs
Balance as at April 1st , 2018	49,020	4,90,200
Movements during the year	-	-
Balance as at March 31, 2019	49,020	4,90,200

**8.2 - Rights, preferences and restrictions attached to each class of equity shares**

- i. Each equity holder of each class is entitled to one vote per share and is entitled for dividend approved in Annual General Meeting

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

	As at 31-March-19 No. of shares	As at 31-March-18 No. of shares
<b>Fully paid equity shares</b>		
Parsvnath Developers Limited, the Holding Company	25,000	25,000
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, 2019		As at March 31, 2018	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
<b>Fully paid equity shares</b>				
Parsvnath Developers Limited	25,000	51.00%	25,000	51.00%
HB Estate Developers Limited	24,020	49.00%	24,020	49.00%



**PARSVNATH HB PROJECTS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

	<u>As at</u> <u>31-March-19</u> ₹	<u>As at</u> <u>31-March-18</u> ₹
<b>9. Other equity</b>		
a. Retained earnings	(9,71,19,888)	(6,46,20,214)
	<u>(9,71,19,888)</u>	<u>(6,46,20,214)</u>
<b>a. Retained Earnings</b>		
Balance at the beginning of the year	(6,46,20,214)	(5,14,18,118)
Adjustment due to application of Ind AS 115 ( Refer Note 29 )	(3,10,75,230)	
Profit/(Loss) for the year	(14,24,445)	(1,32,02,096)
<b>Balance at the end of the year</b>	<u>(9,71,19,888)</u>	<u>(6,46,20,214)</u>
<b>Nature and purpose of reserves:</b>		
a. Retained earnings - Retained earnings are profits of the Company earned till date.		
<b>10. Borrowings</b>		
<b>Non-current</b>		
<b>Unsecured - at amortised cost</b>		
a. Loans from related parties	67,09,25,572	58,70,70,633
b. Loans from others	58,82,739	54,32,739
	<u>67,68,08,311</u>	<u>59,25,03,372</u>
<b>11. Other Non-Current Liabilities</b>		
a. Security Deposit	35,00,00,000	35,00,00,000
	<u>35,00,00,000</u>	<u>35,00,00,000</u>
<b>12. Trade Payables</b>		
a. Trade Payables for land	47,40,20,011	47,40,20,011
b. Trade Payables for others	72,73,765	72,57,785
	<u>48,12,93,776</u>	<u>48,12,77,796</u>
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.		
<b>13. Other Financial Liabilities</b>		
<b>Current</b>		
a. Security deposit received	1,68,835	1,68,835
	<u>1,68,835</u>	<u>1,68,835</u>
<b>14. Other Current liabilities</b>		
a. Advances from customers	4,20,12,951	2,74,52,414
b. Statutory dues (Withholding tax etc.)	2,25,66,969	1,71,97,041
	<u>6,45,79,920</u>	<u>4,46,49,455</u>



**PARSVNATH HB PROJECTS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

	<u>Year ended</u> <u>31 March, 2019</u> ₹	<u>Year ended</u> <u>31 March, 2018</u> ₹
<b>15. Revenue from Operations</b>		
a. Revenue from operation	0	(76,08,590)
	<u>0</u>	<u>(76,08,590)</u>
<b>16. Changes in inventories of work-in-progress</b>		
a. Work-in-progress at beginning of the year	1,37,82,86,113	1,31,42,21,296
Adj Adjustment due to application of Ind AS 115 ( Refer Note 29 )	3,37,21,949	-
<b>Adjusted opening work-in-progress</b>	1,41,20,08,063	1,31,42,21,296
b. Work-in-progress at end of the year	1,47,42,34,660	1,37,82,86,113
<b>Net (increase)/decrease in inventories</b>	<u>(6,22,26,598)</u>	<u>(6,40,64,817)</u>
<b>17. Finance Costs</b>		
a. Interest Expenses: - on borrowings	6,22,26,598	6,07,34,082
	<u>6,22,26,598</u>	<u>6,07,34,082</u>
<b>18. Other Expenses</b>		
a. Rates and Taxes	2,130	5,864
b. Printing and stationery	480	1,986
c. Compensation to customers	9,17,855	85,92,140
d. Legal and professional charges	4,226	60,009
e. Bank charges	1,36,485	2,20,498
f. Payment to auditors (See note i)	29,500	29,500
g. Miscellaneous expenses	3,33,769	14,244
	<u>14,24,445</u>	<u>89,24,241</u>
<b>Note i - Payment to auditors</b>		
i. Statutory audit fee	<u>29,500</u>	<u>29,500</u>



**PARSVNATH HB PROJECTS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

**19. Commitments**

The Company does not have any significant financial commitments.

**20. Details of borrowing cost capitalised during the year**

	Year ended 31 March, 2019	Year ended 31 March, 2018
	₹	₹
Inventory	6,22,26,598	6,07,34,082

**21. Related Party Disclosures**

**i. List of related parties**

**a. Holding Company**

- Parsvnath Developers limited (PDL)

**b. Companies having significant influence**

- HB Estate Developers Limited (HBEDL)

**ii. Balances outstanding/transactions with related parties**

	PDL ₹	HBEDL ₹
<b>a. Transactions during the year</b>		
Unsecured loan received	1,69,20,999.00 (3,32,51,494)	1,22,80,000 -
Unsecured loan repaid	0 (-)	-
Interest on loan	5,81,11,788 (5,11,78,555)	26,14,811 (15,47,385)
<b>b. Balances at year end</b>		
Unsecured Loan	58,71,25,147 (52,41,43,449)	2,91,46,486 (1,54,73,840)
Interest accrued on loan	5,23,00,609 (4,60,60,699)	23,53,330 (13,92,646)

**Notes:**

1 Figures in brackets represent figures as at and for the year ended 31 March, 2018



**PARSVNATH HB PROJECTS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

- 22.** The company has entered into an agreement with Parsvnath Developers Ltd ( holding company), Parsvnath Developers (AOP), HB Estate Developers Limited and the shareholders of the company, for development of a multiplex, shopping mall and hotel thereon on the land admeasuring 8,787.78 sq. yards at Mohali, Punjab. The said land has been allotted by Punjab Small Industries & Exports Corporation Limited (PSIECL). Earlier, the said project was being developed by Parsvnath Developers (AOP). The entire business consisting of real estate development of "Parsvnath Developers (AOP)" was transferred as a going concern to the company during the year and Parsvnath Developers (AOP) has been wound up with effect from 31.12.2012.
- 23.** Land was allotted by Punjab Small Industrial & Export Corporation Limited (PSIECL) to Parsvnath Developers Limited (PDL) on a freehold basis. PSIEC has cancelled the allotment of land citing non payment of outstanding dues. PDL has filed an Arbitration petition against the said cancellation before the Mohali District Court.

**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 Segment' 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**

		<u>As at</u> <u>31 March, 2019</u>	<u>As at</u> <u>31 March, 2018</u>
		₹	₹
i. Net loss for calculation of basic and diluted earnings per share	Rs. In lakhs	(14,24,445)	(1,32,02,096)
ii. Weighted average number of equity shares outstanding during the year	Numbers	49,020	49,020
iii. Basic and diluted earnings per share	Rs.	(29.06)	(269.32)
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).



**PARSVNATH HB PROJECTS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

**27. Financial Instruments**

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

	As at 31-March-19			As at 31-March-18				
	Total	Amortised Cost	At cost	FVTPL	Total	Amortised Cost	At cost	FVTPL
<b>Financial assets</b>								
i. Trade receivables	-	-	-	-	2,41,74,117	2,41,74,117	-	-
ii. Cash and cash equivalents	1,30,113	1,30,113	-	-	1,52,835	1,52,835	-	-
iii. Other financial assets	1,08,550	1,08,550	-	-	1,08,550	1,08,550	-	-
<b>Total financial assets</b>	<b>2,38,663</b>	<b>2,38,663</b>	<b>-</b>	<b>-</b>	<b>2,44,35,502</b>	<b>2,44,35,502</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>								
i. Borrowings	67,68,08,311	67,68,08,311	-	-	59,25,03,372	59,25,03,372	-	-
ii. Trade Payables	48,12,93,776	48,12,93,776	-	-	48,12,77,796	48,12,77,796	-	-
iii. Other financial liabilities	1,68,835	1,68,835	-	-	1,68,835	1,68,835	-	-
<b>Total financial liabilities</b>	<b>1,15,82,70,922</b>	<b>1,15,82,70,922</b>	<b>-</b>	<b>-</b>	<b>1,07,39,50,003</b>	<b>1,07,39,50,003</b>	<b>-</b>	<b>-</b>



**PARSVNATH HB PROJECTS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

**28. Financial Risk Management**

The Company's financial liabilities mainly includes borrowings taken for the purpose of financing company's operations. Financial assets mainly includes trade receivables, investment in subsidiaries/joint venture/associates and loans to its subsidiaries.

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.

The following table summarises the maturity analysis of the Company's financial liabilities:

	Carring amount	Payable within 1 year	Payable in 1-3 years	Payable more than 3 years	₹
<b>As at 31 March, 2019</b>					
Borrowings	67,68,08,311	-	67,68,08,311	-	-
Trade payables	48,12,93,776	48,12,93,776	-	-	-
Other financial liabilities	1,68,835	-	1,68,835	-	-
	<b>1,15,82,70,922</b>	<b>48,12,93,776</b>	<b>67,69,77,146</b>	<b>-</b>	<b>-</b>
<b>As at 31 March, 2018</b>					
Borrowings	59,25,03,372	-	59,25,03,372	-	-
Trade payables	48,12,77,796	48,12,77,796	-	-	-
Other financial liabilities	1,68,835	-	1,68,835	-	-
	<b>1,07,39,50,003</b>	<b>48,12,77,796</b>	<b>59,26,72,207</b>	<b>-</b>	<b>-</b>
<b>As at 31 March, 2017</b>					
Borrowings	50,63,65,794	-	50,63,65,794	-	-
Trade payables	48,16,01,776	48,16,01,776	-	-	-
Other financial liabilities	2,88,835	-	2,88,835	-	-
	<b>98,82,56,405</b>	<b>48,16,01,776</b>	<b>50,66,54,629</b>	<b>-</b>	<b>-</b>

**29 Adoption of Ind AS 115**

Ind AS 115, Revenue from Contract with customers is effective from accounting period beginning on or after 1 April, 2018, accordingly the Company has applied Ind AS 115 as on the transition date of 1 April, 2018. The Company has applied modified retrospective approach to its real estate projects that were not completed as at 1 April, 2018, accordingly profit recognised on such projects upto 31 March, 2018 as per the existing revenue recognition standards has been de-recognised and debited to retained earnings as at 1 April, 2018. The comparatives have not been restated and hence the current year figures are not comparable to the previous year figures.

Profit amounting to Rs. 3,10,75,230 recongised upto 31 March, 2018 on such real estate projects that were not completed as at 1 April, 2018 has been de-recognised and debited to retained earnings as at 1 April, 2018, 'Cost of goods sold' amounting to Rs. 3,37,21,949 has been added to opening inventory with corresponding adjustment of revenue recognised in earlier year to trade receivables/advances from customers. Due to application of Ind AS 115, there is no significant impact on revenue from operations and loss after tax for the year ended 31 March, 2019

**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. Previous year's figures**

Previous year's amounts have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure.

**32. Approval of the financial statements**

The financial statements were approved for issue by Board of Directors on 24<sup>th</sup> May, 2019.



For and on behalf of the Board of Directors

*(Signature)*  
Director

*(Signature)*  
Director

Place: New Delhi  
Date: 24 May 2019