

PDL ASSETS LIMITED
Balance Sheet as at 31 March, 2020

	<u>Note No.</u>	<u>As at 31 March, 2020 Rs in lakhs</u>	<u>As at 31 March, 2019 Rs in lakhs</u>
Assets			
1. Non-current assets			
a. Advance for acquisition of rights	3	3,500.00	3,500.00
2. Current assets			
a. Financial assets			
i. Cash and cash equivalents	4	0.14	0.34
b. Other current assets	5	0.08	-
Total assets		<u>3,500.22</u>	<u>3,500.34</u>
Equity and Liabilities			
1. Equity			
a. Equity share capital	6	6.00	6.00
b. Other Equity	7	<u>(504.27)</u>	<u>(12.97)</u>
Total Equity		<u>(498.27)</u>	<u>(6.97)</u>
2. Liabilities			
Non Current liabilities			
a. Financial liabilities			
i. Borrowings	8	<u>3,500.00</u>	<u>3,500.00</u>
		<u>3,500.00</u>	<u>3,500.00</u>
Current liabilities			
a. Financial Liabilities			
i. Borrowings	9	2.65	1.45
ii. Trade payables:	10		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		0.96	0.45
iii. Other financial liabilities	11	445.83	4.83
b. Other current liabilities	12	<u>49.05</u>	<u>0.58</u>
Total Liabilities		<u>498.49</u>	<u>7.31</u>
Total Equity and Liabilities		<u>3,500.22</u>	<u>3,500.34</u>

See accompanying notes forming part of the financial statements 1-24

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: New Delhi
Date: 08 July, 2020

For and on behalf of Board of Directors

Pradeep Kumar Jain **Rajeev Jain**
Director Director
DIN : 00333486 DIN:00433463

PDL ASSETS LIMITED
Statement of Profit and Loss for the year ended 31 March, 2020

	Note No.	Year ended 31 March, 2020 Rs in lakhs	Year ended 31 March, 2019 Rs in lakhs
1. Revenue from operations		-	-
Total income		-	-
2. Expenses			
a. Finance cost	12	490.24	5.37
b. Other expenses	13	1.06	0.99
Total expenses		491.30	6.36
3. Loss before tax (1-2)		(491.30)	(6.36)
4. Tax expense		-	-
5. Loss after tax (3-4)		(491.30)	(6.36)
6. Other comprehensive income		-	-
7. Total comprehensive income for the year (5+6)		(491.30)	(6.36)
8. Earnings per equity share [nominal value of share Rs. 10 each]	18		
(a) Basic (in Rs.)		(818.84)	(10.61)
(b) Diluted (in Rs.)		(818.84)	(10.61)



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For and on behalf of Board of Directors

 
Pradeep Kumar Jain **Rajeev Jain**
Director Director
DIN : 00333486 DIN:00433463

Place: New Delhi
Date: 08 July, 2020

PDL ASSETS LIMITED
Statement of changes in Equity for the year ended 31 March, 2020

A Equity Share Capital	Amount
Particulars	Rs in lakhs
Balance as at 31 March, 2018	6.00
Changes in equity share capital during the year	-
Balance as at 31 March, 2019	6.00
Changes in equity share capital during the year	-
Balance as at 31 March, 2020	6.00

B Other Equity

Reserves & Surplus

Particulars	Retained earnings	Total
	Rs in lakhs	Rs in lakhs
Balance as at 1 April, 2018	(6.61)	(6.61)
Profit/(loss) for the year	(6.36)	(6.36)
Other comprehensive income for the year	-	-
Balance as at 31 March, 2019	(12.97)	(12.97)
Profit/(loss) for the year	(491.30)	(491.30)
Other comprehensive income for the year	-	-
Balance as at 31 March, 2020	(504.27)	(504.27)

See accompanying notes forming part of the financial statements 1-24

In terms of our report attached
For S. N. Dhawan & Co. LLP
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Place: New Delhi
Date: 08 July, 2020

For and on behalf of Board of Directors

Pradeep Kumar Jain

Pradeep Kumar Jain
Director
DIN : 00333486

Rajeev Jain

Rajeev Jain
Director
DIN:00433463

PDL ASSETS LIMITED
Statement of Cash Flows for the year ended 31 March, 2020

PARTICULARS	Year ended 31 March, 2020 Rs in lakhs	Year ended 31 March, 2019 Rs in lakhs
A. Cash flows from operating activities		
Profit/(Loss) for the year	(491.30)	(6.36)
Adjustments for :		
Movements in working capital	(491.30)	(6.36)
Increase/(Decrease) in trade payables	0.51	0.38
Increase/(Decrease) in other current assets	(0.08)	-
Increase/(Decrease) in other current financial liabilities	441.00	4.83
Increase/(Decrease) in other current liabilities	48.47	0.58
Cash generated from/(used in) operations	(1.40)	(0.57)
Income taxes paid	-	-
Net cash flow from/(used in) operating activities	(1.40)	(0.57)
B. Cash flows from investing activities		
Advances for acquisition of development rights	-	(3,500.00)
Net cash flow from/(used in) investing activities	-	(3,500.00)
C. Cash flows from financing activities		
Proceeds from Long term Borrowings	-	3,500.00
Proceeds from short term Borrowings	1.20	0.45
Net cash flow from/(used in) financing activities	1.20	3,500.45
Net increase/ (decrease) in cash and cash equivalents	(0.20)	(0.12)
Cash and cash equivalents as at the beginning of the year	0.34	0.46
Cash and cash equivalents as at the end of the year	0.14	0.34

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

1-24

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

For and on behalf of Board of Directors

Pradeep Kumar Jain

Director

DIN : 00333486

Rajeev Jain

Director

DIN:00433463

Place: New Delhi

Date: 08 July, 2020

1. Corporate Information

PDL Assets Limited is a wholly owned subsidiary company of Parsvnath Developers Limited. The main object of the Company is to construct, develop, procure, finance, manage, maintain and sub-license the use of built up spaces and facilities in the Specified Area and the additional area to be made available by Delhi Metro Rail Corporation Limited and to obtain finance, approvals/licenses from concerned statutory authorities for the development of the property development area at Azadpur Metro Station and to take all other actions as may be required for the development and sub-licensing of the Project/site.

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.

2.3 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.

2.4 Employee benefits

Short-term employee benefits

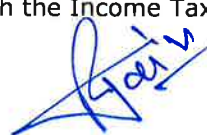

Liabilities recognised in respect of short-term employee benefits in respect of wages and salaries, performance incentives, leaves etc. are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

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 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. Provisions are determined based on management estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimate.

2.7 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 notes to the financial statements.

2.8 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.

2.9 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.

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2.10 Current/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;
- 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.

2.11 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 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.12 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.

2.13 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 :

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

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PDL Assets Limited
Notes to the financial statements for the year ended 31 March, 2020

- 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.

2.14 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 measured at amortised cost at the end of subsequent accounting period.

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.

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. Measurement of contingent liabilities and expected cash outflows
- b. Provision for expected credit losses

Recent accounting pronouncements

During the year and subsequent to year end, the Ministry of Corporate Affairs ("MCA") has not notified new standard or amendments to the existing standards which may have material impact on the financial statements in current year and in subsequent financial year.

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PDL ASSETS LIMITED
Notes to the financial Statements for the year ended 31 March, 2020

	As at 31 March, 2020 <u>Rs in lakhs</u>	As at 31 March, 2019 <u>Rs in lakhs</u>
3. Advance for acquisition of rights		
Non-current		
a. Advance for acquisition of rights in concession agreement (see note 14)	3,500.00	3,500.00
	<u>3,500.00</u>	<u>3,500.00</u>
4. Cash and bank balances		
a. Cash in hand	0.01	0.08
b. Balances with banks in current accounts	0.13	0.26
	<u>0.14</u>	<u>0.34</u>
5. Other assets		
Current		
GST input credit receivable	<u>0.08</u>	<u>-</u>



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PDL ASSETS LIMITED

Notes to the financial Statements for the year ended 31 March, 2020

	<u>As at 31 March, 2020</u> Number	<u>As at 31 March, 2019</u> Number
6. Equity share Capital		
i. Authorised		
50,00,000 (as at 31 March,2019 : 50,00,000) fully paid equity shares of Rs 10 each	500.00	500.00
	<u>500.00</u>	<u>500.00</u>
ii. Issued, subscribed and fully paid-up shares		
60,000 (as at 31 March,2019 : 60,000) fully paid equity shares of Rs 10 each	6.00	6.00
	<u>6.00</u>	<u>6.00</u>

6.1 - Reconciliation of share capital

	<u>Number of shares in</u>	<u>Share capital Rs./lakhs</u>
Balance as at March 31,2018	60,000	6.00
Movements during the year	-	-
Balance as at March 31,2019	60,000	6.00
Movements during the year	-	-
Balance as at March 31,2020	<u>60,000</u>	<u>6.00</u>

6.2 - Rights, preferences and restrictions attached to equity shares

- i. The Company has issued only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is entitled to one vote per share. Dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing 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.

6.3 - Details of shares held by the holding company, its subsidiaries and associates

	<u>As at 31 March, 2020</u> Number	<u>As at 31 March, 2019</u> Number
Parsvnath Developers Limited and its nominees	60,000	60,000

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

	<u>As at 31 March,2020</u>		<u>As at 31 March,2019</u>	
	Number	% holding	Number	% holding
Equity shares of Rs. 10 each fully paid Parsvnath Developers Limited	60,000	100.00%	60,000	100.00%



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PDL ASSETS LIMITED
Notes to the financial Statements for the year ended 31 March, 2020

	As at 31 March, 2020	As at 31 March, 2019
	Rs in lakhs	Rs in lakhs
7. Other Equity		
a. Retained earnings	(504.27)	(12.97)
	(504.27)	(12.97)
a. Retained earnings		
Balance at the beginning of the year	(12.97)	(6.61)
Add: Loss for the year	(491.30)	(6.36)
Balance at the end of the year	(504.27)	(12.97)

Nature and purpose of reserves:

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



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PDL ASSETS LIMITED

Notes to the financial Statements for the year ended 31 March, 2020

	<u>As at</u> <u>31 March, 2020</u> Rs in lakhs	<u>As at</u> <u>31 March, 2019</u> Rs in lakhs
8. Borrowings		
Non-Current		
Secured - at amortised cost		
Non convertible Debentures	3,500.00	3,500.00
350 (as at 31 March 2019: 350)		
non convertible debentures of Rs 10,00,000 each)		
 350 Redeemable Non -Convertible Debentures of face value Rs. 10.00 lakhs for cash aggregating to Rs. 3500.00 lakhs were issued on 28 March, 2019.		
Debenture are redeemable after 50 months from date of issue		
Debentures are redeemable at premium with 14% annual IRR calculated on face value of debentures		
NCD are secured by (a) Second charge over all receivables and Escrow Account(s) together with all monies lying in the Escrow account from time to time. (b) Corporate Guarantee of Parsvnath Developers Limited (c) Pledge of 49% share of the Company.		
	<u>3,500.00</u>	<u>3,500.00</u>
Current		
Unsecured		
Loans from related parties	2.65	1.45
	<u>2.65</u>	<u>1.45</u>



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PDL ASSETS LIMITED
Notes to the financial Statements for the year ended 31 March, 2020

	<u>As at</u> <u>31 March, 2020</u> Rs in lakhs	<u>As at</u> <u>31 March, 2019</u> Rs in lakhs
9. Trade payables		
Trade Payables	0.96	0.45
	<u>0.96</u>	<u>0.45</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.		
10. Other financial liabilities		
Current		
Interest accrued but not due on borrowings	445.83	4.83
	<u>445.83</u>	<u>4.83</u>
11. Other liabilities		
Current		
Statutory dues	49.05	0.58
	<u>49.05</u>	<u>0.58</u>



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PDL ASSETS LIMITED

Notes to the financial Statements for the year ended 31 March, 2020

	Year ended 31 March, 2020	Year ended 31 March, 2019
	Rs in lakhs	Rs in lakhs
12. Finance costs		
a. Interest on debentures	490.00	5.37
b. Interest on delayed payment of statutory dues	0.24	-
	490.24	5.37
13. Other expenses		
a. Fees and taxes	0.04	0.02
b. Legal and professional charges	0.50	0.46
c. Payment to auditors	0.50	0.50
d. Other expenses	0.02	0.01
	1.06	0.99
Payment to auditors (exclusive of GST)		
Statutory audit fees	0.50	0.50



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PDL ASSETS LIMITED
Notes to the financial Statements for the year ended 31 March, 2020

- 14.** The Company has entered into a Memorandum of Understanding on 27 March, 2019 with its holding company, Parsvnath Developers Limited (PDL) for the purpose of acquisition of rights in concession agreement for the purpose of development, construction, completion and leasing of the commercial real estate project at Azadpur Metro Station. PDL had acquired development rights under concession agreement dated 20 July, 2006 with Delhi Metro Rail Corporation (DMRC).
- 15.** The Company does not have any pending litigations which would impact its financial position.
- 16.** The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

17. 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

18. Earnings per share

		<u>As at 31 March, 2020</u>	<u>As at 31 March, 2019</u>
i.	Net loss for calculation of basic and diluted earnings per share	Rs. In lakhs (491.30)	(6.36)
ii.	Weighted average number of equity shares outstanding during the year	Numbers 60,000	60,000
iii.	Basic and diluted earnings per share	Rs. (818.84)	(10.61)
iv.	Nominal value of equity shares	Rs. 10	10

19. 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).

20. Related party disclosures

i. List of related parties

(a) Holding Company

- Parsvnath Developers Limited

ii. Balances outstanding/transactions with related parties

	<u>Parsvnath Developers Ltd. Rs in lakhs</u>
a. Transactions during the year	
Advances paid for purchase of development rights	(3,500.00)
Advances Received	1.20 (0.45)
b. Balances at year-end	
Advances paid for purchase of development rights	(3,500.00)
Borrowings	2.65 (1.45)

- Figures in brackets represents as at and for the year ended 31.03.2019.



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PDL ASSETS LIMITED

Notes to the financial Statements for the year ended 31 March, 2020

21. Financial Instruments

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

	As at 31-March-20				As at 31-March-19			
	Total	Amortised Cost	At cost	FVTPL	Total	Amortised Cost	At cost	FVTPL
Financial assets								
i. Cash and cash equivalents	0.14	0.14	-	-	0.34	0.34	-	-
Total financial assets	0.14	0.14	-	-	0.34	0.34	-	-
Financial liabilities								
i. Borrowings	3,502.65	3,502.65	-	-	3,501.45	3,501.45	-	-
ii. Trade Payables	0.96	0.96	-	-	0.45	0.45	-	-
iii. Other financial liabilities	445.83	445.83	-	-	4.83	4.83	-	-
Total financial liabilities	3,949.44	3,949.44	-	-	3,506.73	3,506.73	-	-

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



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PDL ASSETS LIMITED
Notes to the financial Statements for the year ended 31 March, 2020

22. 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, interest accrued and trade payables. Financial assets mainly includes cash and bank balances.

The Company has a system based approach to financial risk management. 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. anticipated.

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

	Carrying amount	Payable within 1 year	Payable in 1-3 years	Rs. in lakhs Payable more than 3 years
As at 31 March, 2020				
Borrowings	3,502.65	2.65	-	3,500.00
Trade payables	0.96	0.96	-	-
Other financial liabilities	445.83	-	-	445.83
	3,949.44	3.61	-	3,945.83
As at 31 March, 2019				
Borrowings	3,501.45	1.45	-	3,500.00
Trade payables	0.45	0.45	-	-
Other financial liabilities	4.83	-	-	4.83
	3,506.73	1.90	-	3,504.83

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 is mainly exposed to the interest rate risk due to its borrowings. The Company manages its interest rate risk by having balanced portfolio of fixed and variable rate borrowings. The Company does not enter into any interest rate swaps.



PDL ASSETS LIMITED
Notes to the financial Statements for the year ended 31 March, 2020

Interest rate sensitivity analysis

The exposure of the company's borrowing to interest rate change at the end of the reporting periods are as follows :

	As at 31 March, 2020 Rs. in lakhs	As at 31 March, 2019 Rs. in lakhs
Variable rate borrowings		
Long Term	-	-
Short Term	-	-
Total Variable rate Borrowing	<u>-</u>	<u>-</u>
Fixed Rate Borrowings		
Long Term	3,500.00	3,500.00
Short Term (Interest free)	2.65	1.45
Total Fixed rate Borrowing	<u>3,502.65</u>	<u>3,501.45</u>
Total Borrowing	<u>3,502.65</u>	<u>3,501.45</u>

Sensitivity

Since the Company does not have any variable rate borrowings, there is no impact on profit and loss before tax due to change in interest rate.

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 has limited operations and has no credit risk for receivables.

23. Events after the reporting period

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

24. Approval of the financial statements

The financial statements were approved for issue by Board of Directors on 08 July, 2020.

For and on behalf of Board of Directors



Pradeep Kumar Jain
Director
DIN : 00333486

Rajeev Jain
Director
DIN:00433463

Place: Delhi
Date:08 July, 2020