

BOARD'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 13th Annual Report together with the audited financial statements of the Company for the financial year ended March 31, 2020.

1. FINANCIAL RESULTS

(Amount in Rs. Lakhs)

Item	FY 2019-20	FY 2018-19
Total Revenue	7698.79	8,923.04
Profit/ (Loss) before tax	(10775.32)	(7697.28)
Provision for Tax	507.13	44.97
Profit/ (Loss) after tax for the year	(11282.45)	(7742.25)

2. DIVIDEND

Since the Company has not made any profits, no dividend is recommended for the year under review.

3. TRANSFER OF AMOUNT TO RESERVES

During the financial year 2019-20, your Company has not transferred any amount to reserves.

4. REVIEW OF OPERATIONS

The Company is developing a commercial project at Bhai Veer Singh Marg, Gole Market, New Delhi, a prime location in New Delhi. The Phase I of the project viz. Parsvnath Capital Tower was completed in March, 2015. The Company has sub-licensed areas in the said building to well-known organizations like World Health Organization (WHO), State Bank of India, and ICICI Lombard General Insurance Co. Ltd. etc. Phase-II of the project is expected to be completed shortly.

During the year under review, the total revenue of the Company was Rs. 7698.79 Lakhs as against Rs. 8923.04 Lakhs in the previous year. The Company incurred a net loss of Rs. 11282.45 Lakhs in the financial year 2019-20 as against a loss of Rs. 7742.25 Lakhs in the previous year, mainly due to higher finance costs.

5. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

The Company issued NCDs worth Rs. 1318.8 Crores on June 29, 2020 to pay off the existing loans. The total issue of NCDs comprised of 250 Senior, Secured, Rated, Listed, Redeemable, Non-Convertible Debentures (**Series-A**) of Rs. 25 Crores, 750 Senior, Secured, Unrated, Unlisted, Redeemable and Non-Convertible Debentures (**Series-B**) of Rs. 75 Crores and 12,188 Junior, Secured, Unrated, Unlisted, Redeemable, Non-Convertible Debentures (**Series-C**) of Rs. 1218.80 Crores.

6. HOLDING COMPANY

The Company is a wholly owned subsidiary of Parsvnath Developers Limited (PDL).

Parsvnath Estate Developers Pvt. Ltd.

(A Subsidiary of Parsvnath Developers Ltd.)

CIN: U45400DLC2007PTC166218

Registered Office: Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi-110032, Ph: 011-43050100, Fax: 011 - 43050473

E-mail: secretarial@parsvnath.com

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7. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

8. PUBLIC DEPOSITS

The Company has neither accepted nor renewed any public deposits during the year under review.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Raj Kumar Jain who was appointed as an Additional Director of the Company with effect from August 02, 2018, had resigned from the directorship of the Company with effect from May 28, 2019.

During the year under review, Mr. Arvind Kumar Mishra (DIN: 08250280), was appointed as an Additional Director of the Company w.e.f. 28th May, 2019 to hold office upto the date of Annual General Meeting. Mr. Arvind Kumar Mishra was appointed as director in the Annual General Meeting held on 20th September, 2019. Mr. Arvind Kumar Mishra (DIN: 08250280), retires by rotation and being eligible, offers himself for re-appointment at the forthcoming Annual General Meeting of the Company, in accordance with the provisions of Section 152(6) of the Companies Act, 2013.

Mr. Surya Mani Pandey was appointed as an Additional Director on the Board of Directors with effect from February 14, 2020 to hold office upto the date of ensuing Annual General Meeting. Accordingly his candidature for appointment as director of Company is included in item no. 3 of the AGM notice for approval of shareholders.

Mr. Praveen Jain had tendered his resignation from the directorship of the Company w.e.f. 08th September, 2020.

Mr. Kamal Singh was appointed as an Additional/ Independent Director of the Company on 11th September, 2020 to hold office until the ensuing Annual General Meeting of the Company. There is also a proposal to confirm him as Independent Director in the ensuing Annual General Meeting of the Company to hold office for a term of 5 years.

At present the Board of your Company comprises of Four Non-executive Directors - Mr. Arvind Kumar Mishra, Mr. Surya Mani Pandey, Mr. Kamal Singh and Ms. Deepa Gupta.

Declaration by Independent Director

The Company has received necessary declaration from Mr. Kamal Singh, Independent Director under Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

Key Managerial Personnel:

Mr. Navpreet Singh Bhatia, ACS-51095, appointed as the Company Secretary with effect from June 20, 2018, resigned from the post of Company Secretary of the Company with effect from July 5, 2019.



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10. AUDIT COMMITTEE AND THE NOMINATION AND REMUNERATION COMMITTEE

The Company has issued 250 Non-Convertible Debentures of Rs. 10,00,000/- each on private placement basis and got them listed on BSE Limited w. e. f. July 13, 2020.

As per the provisions of Section 177 of the Companies Act, 2013, every listed Company shall constitute an Audit Committee consisting of a minimum of three Directors with Independent Directors forming the majority.

Further, as per the provisions of Section 178 of the Companies Act, 2013, every listed company shall constitute a Nomination & Remuneration Committee consisting of a minimum of three non-executive directors out of which not less than one half shall be independent directors.

Board in its meeting held on 11th September, 2020 has duly constituted Audit Committee and Nomination & Remuneration Committee comprising of following members including the Independent Directors forming the majority:

1. Ms. Deepa Gupta- Chairman
2. Mr. Kamal Singh- Member
3. Mr. Arvind Kumar Mishra- Member

11. NUMBER OF MEETINGS OF THE BOARD AND ITS COMMITTEES

Board Meetings

During the financial year 2019-20, the Board met Seven (7) times with adequate quorum on May 28, 2019, August 13, 2019, September 28, 2019, October 3, 2019, November 9, 2019, February 14, 2020 and March 2, 2020.

The attendance at the Board Meetings held during the year under review is as under:

S. No.	Name of Directors	Number of meetings which director was entitled to attend	Number of meetings attended
1	Mr. Praveen Jain	7	7
2	Ms. Deepa Gupta	7	1
3	Mr. Arvind Kumar Mishra	6	6
4	Mr. Surya Mani Pandey	1	1
5	Mr. Raj Kumar Jain	1	0

12. BOARD EVALUATION

The Company is not required to annex an Annual Evaluation Report in terms of Section 134(3) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014, for the financial year 2019-20.

Further, the Company has become listed company w. e. f. July 13, 2020, hence the provisions of Section 134(3) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014, will be applicable from the financial year 2020-21.

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13. POLICY ON DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND OTHER DETAILS

The Nomination and Remuneration policy adopted and followed by Parsvnath Developers Limited (PDL) (holding company) is applicable to the Company. Salient features of the said policy are as follows:

a) Remuneration to Managing Director / Whole-time Directors:

The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Act and Rules made thereunder or any other enactment for the time being in force and the approvals obtained from the shareholders of the Company.

b) Remuneration to Non-Executive / Independent Directors:

i. The Non-Executive/ Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of the Act. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

ii. All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Act shall be subject to ceiling/ limits as provided under the Act and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

c) Remuneration to Key Managerial Personnel and Senior Management:

The remuneration to Key Managerial Personnel and Senior Management may consist of fixed pay and incentive pay, in compliance with the provisions of the Act and in accordance with the Company's Policy.

14. DIRECTORS' RESPONSIBILITY STATEMENT

In pursuance of section 134 (5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and ability, state that:

(a) in the preparation of the annual accounts for the year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that year;

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

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- (d) the Directors have prepared the annual accounts on a going concern basis; and
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Pursuant to Section 134(3)(ca) of the Companies Act, 2013, no fraud has been reported by the Auditors of the Company.

15. RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in ordinary course of business and on arm's length basis.

During the year under review, the Company entered into an agreement with Parsvnath Developers Limited (PDL), Holding Company, for acquiring lands upto 1000 acres in and around Poolangal village, Dist. Madurai, Tamil Nadu and advanced an amount of Rs. 310 Crores for this purpose.

PDL will provide its expertise in arranging/ acquiring land in cost effective manner

Particulars of the agreement are given in form AOC-2 enclosed as **Annexure-I** to this report.

The related party transactions during the year 2019-20 are detailed in the notes to accounts of the Financial Statements.

16. INTERNAL CONTROLS

There is an adequate internal controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

17. AUDITORS

M/s S. N. Dhawan & Co. LLP, Chartered Accountants are the Statutory Auditors of the Company. They have been appointed for a period of five years from the conclusion of the Ninth Annual General Meeting held on September 30, 2016 until the conclusion of the Fourteenth Annual General Meeting (AGM) subject to ratification of their appointment by the members at every intervening Annual General Meeting of the Company, at such remuneration as may be decided by the Board of Directors of the Company.

As per the amendment in the Companies Act, 2013, effective from May 7, 2018, ratification of the appointment is no longer required and hence, has not been included in the notice of the AGM.

The operations of the Company do not require maintenance of cost records and cost audit, in terms of the provisions of the Companies Act, 2013 read with the rules made thereunder.



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18. OBSERVATION OF AUDITORS

There are no qualifications, reservations or adverse remarks in the Auditors' Report for the financial year ended 31st March 2020.

However, the Auditors have made an observation in sub-clause b. of clause vii (b) of Annexure A to their Report to which response of your Directors is explained as under:

Tax deducted at source (TDS) and interest thereon remained outstanding as at 31 March, 2020 for more than six months: On account of the tight liquidity condition faced by the Company, Tax Deducted at Source (TDS) and interest thereon amounting to Rs. 5150.25 lakhs as stated in the Auditors' Report could not be deposited as at 31st March, 2020. The aforementioned amount has subsequently been deposited on 30th June, 2020.

19. DISCLOSURES

1. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

All efforts are being made by the Company for conservation of energy. The nature of operations of the Company does not involve technology absorption and as such no disclosures are required to be made in this regard.

The Company has neither incurred any expenditure nor earned any income in foreign currency during the year under review.

2. PARTICULARS OF EMPLOYEES

No employee of the Company was in receipt of remuneration exceeding Rs. 102 Lakhs per annum, if employed throughout the financial year and Rs. 8.5 Lakhs per month, if employed for part of the financial year, which requires disclosure under Section 197(12) of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time.

Particulars of the Employees pursuant to the Section 197(12) of the Companies Act, 2013:

S. No	Name	Designatio/ Nature of duties	Qualificatio ns	Remunera- tion (Rs.)	Exper ience (Year s)	Date of joining	Age (Years)	Last Employment Held	Number & % of shares held in the Company as at March 31, 2020	
									Num ber	%
1	Mr. Rajesh Nagar	Dy. Facilities Head	M.A.	13,93,458	36	30.09.2013	52	M/s. Umang Realtech Pvt. Ltd.	NIL	NIL
2	Mr. Rajnish Sajdeh	Dy. General Manager	BE (Civil)	14,83,521	34	20.04.2015	56	M/s. M.R.A. Associates India Pvt.	NIL	NIL

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3	Mr. Suman Binjola	Billing Engineer	Diploma in Civil Engineering	7,42,822	19	01.04.2015	43	M/s Carrie & Brows	NIL	NIL
4	Ms. Barkha Batla	Company Secretary	CS, LLB	5,04,000	2	22.07.2019	26	CFR Asset Reconstruction India Limited	NIL	NIL
5	Mr. Tularam	Supervisor (MEP)	ITI	3,59,535	24	01.07.2014	48	M/s. SSS Services Pvt Ltd.	NIL	NIL
6	Mr. Nand Kishore	Computer Operator	B.A.	2,13,695	24	01.08.2005	39	M/s. Automation Systems	NIL	NIL

Particulars of the Employee employed for part of the financial year:

1	Navpreet Singh Bhatia (Part of the year)	CS	B.Com, M.com, CS	1,11,062	2	20.06.2018	30	Assets Care & Reconstruction Enterprises Ltd.	NIL	NIL
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Mr. Navpreet Singh Bhatia, ACS-51095, appointed as the Company Secretary with effect from June 20, 2018, resigned with effect from July 5, 2019.

Notes:

1. The remuneration does not include leave encashment, gratuity and other retirement benefits.
2. The nature of employment is on contractual basis. Other terms and conditions of the employment are as per Company's policy.
3. All the employees have adequate experience to discharge the responsibilities assigned to them and their designations are indicative of their nature of duties.
4. None of the employees mentioned above is a relative of any Director of the Company.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review.

21. EXTRACT OF ANNUAL RETURN

Extract of the Annual Return in Form MGT-9 as required under section 92 of the Companies Act, 2013 is annexed herewith as **Annexure-II** to this Report.

22. RISK MANAGEMENT

The Company in the meeting of the Board of Directors held on July 30, 2015 adopted a Risk Management Policy to identify the risks associated with the business of the Company, review the risks/concerns and device measures to resolve them.

23. VIGIL MECHANISM

The Company has a Vigil Mechanism Policy in place in terms of Section 177 of the Companies Act, 2013 and Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 to oversee the genuine concerns to be expressed by the employees and other Directors.

This Policy mechanism intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company and malpractices and events which have taken place or are suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public

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health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its Employees.

24. CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility are not applicable to the Company.

25. COMPLIANCE OF SECRETARIAL STANDARDS

The Board of Directors of the Company hereby states that, during the year under review, the Company has complied with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government.

26. DEBENTURE TRUSTEE

The Company has appointed Catalyst Trusteeship Limited for its Non-Convertible Debentures of Rs. 10,00,000/- each. The details of debenture trustee are as under:

Catalyst Trusteeship Limited

Regd offc: GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune-411038

Branch offc: Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina Santacruz (East), Mumbai- 400098

E-mail addresss: umesh.salvi@ctltrustee.com

27. DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS/TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no orders passed by the Regulators/Courts/Tribunal which would impact the going concern status of the Company and its future operations.

28. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise;
2. Issue of shares (including sweat equity shares) to the employees of the Company under any scheme;
3. The Company has no Managing Director and none of the Non-executive Directors of the Company receive any remuneration or commission from its holding or subsidiary company.
4. There is no requirement for Constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder as the number of employees is less than ten. During the year under review, there were no cases filed/ reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
5. There was no change in the nature of business during the financial year under review.

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Committed to build a better world

ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere gratitude to the shareholders, debenture holders, customers, bankers, financial institutions, vendors and all the other business associates for the continuous support provided by them to the Company.

**By order of the Board of Directors
For Parsvnath Estate Developers Pvt. Ltd.**

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Arvind Kumar Mishra
Director
DIN: 08250280
Address:
L-429, Mangol Puri,
Delhi-110083



Surya Mani Pandey
Director
DIN: 08250346
Address:
1/4291, Ramnagar
Extension, Mandoli
Road, Shahdara,
Delhi-110032

Place: Delhi
Date: 11.09.2020

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FORM NO. AOC.2

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction

{Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the

Companies (Accounts) Rules, 2014}

1. Details of contracts or arrangements or transactions not at arm's length basis

Not applicable.

2. Details of material contracts or arrangement or transactions at arm's length basis

S. No.	Particulars	Details
1	Name of the related party and nature of relationship	Parsvnath Developers Ltd. (PDL), Holding Company
2	Nature of contracts/ arrangements/ transactions	Agreement with PDL for sale and transfer of proposed agricultural land at Madurai, Tamil Nadu, to be acquired by the PDL and acknowledging part consideration paid in advance by the Company to PDL against the same.
3	Duration of the contracts/ arrangements/ transactions	24 months from execution of the Agreement dated October 4, 2019.
4	Salient terms of the contracts or arrangements or transactions including the value, if any:	<p>*PDL will accumulate agricultural land approx. 1000 acres at Madurai, Tamilnadu, adjacent/ contiguous to the land owned by the Company (Proposed Land) and transfer it to the Company within 24 months from the date of execution of Agreement, 'on as is where is basis'.</p> <p>*Sale Consideration is Rs. 50 Lakhs per acre.</p> <p>* PDL acknowledged the receipt of Rs. 310 Crores as part of the consideration paid in advance and the balance consideration to be paid by the Company at the time of registration of Sale/ Conveyance Deed of Proposed Land in favour of the Company, which is to be done within 24 months from the date of execution of Agreement.</p>

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5	Date of approval by the Board, if any:	August 13, 2019
6	Amount paid as advances, if any:	Rs. 310 Crores

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Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2020

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

I. REGISTRATION AND OTHER DETAILS:	
i) CIN:-	U45400DL2007PTC166218
ii) Registration Date	24.07.2007
iii) Name of the Company	Parsvnath Estate Developers Private Limited
iv) Category / Sub-Category of the Company	Private Company by its Articles/ Public Company being a subsidiary of Public Company
v) Address of the Registered office and contact details	Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi - 110032. Telephone No. 011-43010500 Fax No. 011-43050473 Email Id- secretarial@parsvnath.com
vi) Whether listed company (Yes/No)	Yes (Debt Listed)
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	1. For Equity Shares: M/s Link Intime India Pvt. Ltd. C 13, Pannalal Silk Mills Compound, L B S Marg, Bhandup (W), Mumbai, Maharashtra-400078. Telephone No. 022-25963838 Fax No. 022-25946969 Email Id: accounts@linkintime.co.in 2. For Non-Convertible Debentures: M/s NSDL Database Management Ltd. 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400 013.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-			
Sl. No.	Name and Description of main products/Services	NIC Code of the Product/ Service	% to total turnover of the Company
	Development, Construction and Marketing of Real Estate projects for Commercial use	681- Real estate activities with own or leased property	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE					
Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1	Parsvnath Developers Limited	L45201DL1990PLC040945	Holding	100%	2(87)

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters:									
(1) Indian									
a) Individual/HUF		6	6	0	-	1	1	0.00	
b) Central Govt									
c) State Govt									
d) Bodies Corp.	49,99,994	-	49,99,994	100.00	49,99,994	5	49,99,999	100.00	-
e) Banks/FI									
f) Any Other									
Sub-total (A) (1):-	49,99,994	6	50,00,000	100.00	49,99,994	6	50,00,000	100.00	-
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any Other									
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	49,99,994	6	50,00,000	100.00	49,99,994	6	50,00,000	100.00	-
1 (one) Equity Share at A.(1)a is held by an Individual as nominee of the Body Corporate at A.(1)d at the end of the year									
B. Public Shareholding									
1 Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FII									
h) Foreign Venture Capital Funds									
i) Others (Specify)									
Sub-total (B) (1):-	-	-	-	-	-	-	-	-	-
2 Non-Institutions									
a) Bodies Corp.									
Indian									
Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh									
iii) Others (Specify)									
Sub-total (B) (2):-	0	-	0	0.00	-	-	-	0	-
Total public shareholding (B) = (B)(1)+(B)(2)	0	0	0	0.00	0	0	0	0	-
C Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	49,99,994	6	50,00,000	100.00	49,99,994	6	50,00,000	100.00	-

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(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change during the year
		No. of shares	% of total shares of the Company	% of Shares Pledged/encumbered to total shares	No. of shares	% of total shares of the Company	% of Shares Pledged/encumbered to total shares	
1	Parsvnath Developers Ltd. (PDL)	49,99,994	100.0%	49%	49,99,999	100.0%	49%	-
2	Neelam Jain (Nominee of PDL)	1	-	-	0	-	-	-
3	Nutan Jain (Nominee of PDL)	1	-	-	0	-	-	-
4	Yogesh Jain (Nominee of PDL)	1	-	-	1	-	-	-
5	Vipul kumar Goel (Nominee of PDL)	1	-	-	0	-	-	-
6	Ramesh Kaushal (Nominee of PDL)	1	-	-	0	-	-	-
7	Tej Pal Chauhan (Nominee of PDL)	1	-	-	0	-	-	-
	Total	50,00,000	100.0%	49%	50,00,000	100.0%	49%	-

(iii) Change in Promoters' Shareholding (Please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Ms. Neelam Jain (Nominee of PDL)				
	At the beginning of the year	1	0	1	0
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/bonus/transfer/sweat equity etc.)	Decrease: equity share was transferred to PDL on 02.03.2020			
	At the end of the year	0	0	0	0
2	Mrs. Nutan Jain (Nominee of PDL)				
	At the beginning of the year	1	0	1	0
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/bonus/transfer/sweat equity etc.)	Decrease: equity share was transferred to PDL on 02.03.2020			
	At the end of the year	0	0	0	0
3	Mr. Vipul Kumar Goel (Nominee of PDL)				
	At the beginning of the year	1	0	1	0
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/bonus/transfer/sweat equity etc.)	Decrease: equity share was transferred to PDL on 02.03.2020			
	At the end of the year	0	0	0	0
4	Ramesh Kaushal (Nominee of PDL)				
	At the beginning of the year		0	1	0



	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/bonus/transfer/sweat equity etc.)	Decrease: equity share was transferred to PDL on 02.03.2020			
	At the end of the year	0	0	0	0

5	Tej Pal Chauhan (Nominee of PDL)				
	At the beginning of the year	1	0	1	0
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/bonus/transfer/sweat equity etc.)	Decrease: equity share was transferred to PDL on 02.03.2020			
	At the end of the year	0	0	0	0

6	Parsvnath Developers Limited				
	At the beginning of the year	4999994	49	4999994	49
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/bonus/transfer/sweat equity etc.)	Increase: 5 equity shares from nominees of PDL were transferred to PDL on 02.03.2020			
	At the end of the year	4999999	100	4999999	100

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(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/bonus/transfer/sweat equity etc.)	0	0.00	0	0.00
	At the end of the year (or date of seperation, if seperated during the year)	0	0	0	0.00

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/bonus/transfer/sweat equity etc.)	-	-	-	-
	At the end of the year	-	-	-	-

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[Handwritten signature]

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

(Rs. in lakhs)

	Secured Loans excluding deposits (Rs.)	Unsecured Loans (Rs.)	Deposits (Rs.)	Total Indebtedness (Rs.)
Indebtedness at the beginning of the financial year				
i) Principal Amount	85,165.77	-	-	85,165.77
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	85,165.77	-	-	85,165.77
Change in Indebtedness during the financial year				
Addition	33,178	-	-	33,178
Reduction	-	-	-	-
Net Change	33,178			33,178
Indebtedness at the end of the financial year				
i) Principal Amount	1,17,209.24	-	-	1,17,209.24
ii) Interest due but not paid	639.03	-	-	639.03
iii) Interest accrued but not due	495.09	-	-	495.09
Total (i+ii+iii)	1,18,343.36	-	-	1,18,343.36

VII. Remuneration of Directors and Key Managerial Personnel

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

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount (Rs.)
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify	-	-
5	Others, please specify	-	-
	Total	0	0
	Ceiling as per the Act		

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B. Remuneration to other directors:

(I)						
Sl. No	Particulars of Remuneration	Name of Directors				Total Amount (Rs.)
		Mr. Arvind Kumar Mishra	Mr. Surya Mani Pandey	Ms. Deepa Gupta	Mr. Praveen Jain	
1	Independent Directors	-	-	-	-	-
	Fee for attending board/committee meetings	-	-	10,000	-	10,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	10,000	-	10,000
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board/committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B) - (1+2)	-	-	10,000	-	10,000
	Total Managerial Remuneration (A+B)	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-
(II)						
Sl. No	Particulars of Remuneration	Name of Directors				Total Amount (Rs.)
		-	-	-	-	-
1	Independent Directors	-	-	-	-	-
	Fee for attending board/committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board/committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B) - (1+2)	-	-	-	-	-
	Total Managerial Remuneration (A+B)	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

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

Sl. No	Particulars of Remuneration	Key Managerial Personnel				Total Amount (Rs.)
1	Gross Salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961					
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission - as % of profit - others, specify					
5	Others, please specify					
	Total					
	Ceiling as per the Act					

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VIII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD/NCLT/Court]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

By order of the Board of Directors
For Parsvnath Estate Developers Pvt. Ltd.



 Arvind Kumar Mishra
 Director
 DIN:8250280


 Surya Mani Pandey
 Director
 DIN: 08250346

Place: Delhi
Date: 11.09.2020

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED

Report on the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of **Parsvnath Estate Developers Private Limited** ("the Company"), which comprise the balance sheet as at 31 March 2020, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and its loss, total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS financial statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Ind AS Financial Statements and Auditor's Report thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises of the Director's Report. This report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's Responsibilities Relating to Other Information'



Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw



attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order/CARO 2016"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31 March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**."



- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the company has not paid any remuneration to its directors during the year.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigation which would impact its financial position - Refer Note 26 to the Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer Note 27 to the Ind AS financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.N. Dhawan & Co LLP**
Chartered Accountants
Firm's Registration No. 000050N/N500045



Vinesh Jain
Partner
Membership No.: 087701
UDIN: 20087701AAAABM3528

Place: Delhi
Date: 26 June, 2020

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of **Parsvnath Estate Developers Private Limited** on the Ind AS financial statements as at and for the year ended 31 March, 2020)

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets comprising of Property, Plant and Equipment and Other Intangible Assets.
- b. The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to information and explanations given to us, no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and the records examined by us, the Company has constructed building on land taken on licence basis and disclosed as intangible assets in the financial statements. This licence agreement is in the name of the Company, where the Company is the licensee in the agreement.
- ii. In our opinion and according to the information and explanations given to us, having regard to the nature of inventory, the physical verification by way of verification of title deeds, site visits by the Management, are at reasonable intervals and no material discrepancies were noticed on physical verification
- iii. The Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of CARO 2016 is not applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
- vii. According to the information and explanations given to us in respect of statutory dues:
 - a. There have been significant delays in deposit of Income Tax and Goods and Service Tax by the Company with the appropriate authorities during the year. We are informed that the provisions of the Employees Provident Funds and Miscellaneous Act, 1952 and Employees State Insurance Act, 1948 are not applicable to the Company and that the operations of the Company during the year, did not give rise to any liability for Sales Tax, Value Added Tax, Service Tax, Excise Duty and Customs Duty.
 - b. Tax deducted at source (TDS) and interest thereon amounting to Rs. 5150.25 lakhs has remained outstanding for more than six months as at 31 March, 2020. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31 March, 2020 for a period of more than six months from the date they became payable.
 - c. There are no dues in respect of Income Tax, Value Added Tax, Sales Tax, Goods and Service Tax, Service Tax, Customs Duty and Excise Duty which have not been deposited as on 31 March, 2020 on account of any dispute.



- viii. The Company has not taken any loans or borrowings from banks, financial institutions and the government. The Company has not defaulted in repayment of dues of debenture holders.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, term loans raised during the year were applied for the purpose for which the loans were obtained
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. The Company has not paid / provided any managerial remuneration and hence reporting under clause (xi) of the CARO 2016 is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi. The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For **S.N. Dhawan & Co LLP**
Chartered Accountants
Firm's Registration No. C000050N/N500045


Vinesh Jain
Partner

Membership No.: 087701

UDIN: 20087701AAAABM3528

Place: Delhi

Date: 26 June, 2020

'Annexure B' to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of **Parsvnath Estate Developers Private Limited** on the Ind AS financial statements as at and for the year ended 31 March 2020)

Independent Auditor's report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **Parsvnath Estate Developers Private Limited** ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide



a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2020, based on based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.N. Dhawan & Co LLP**
Chartered Accountants
Firm's Registration No.: 000050N/N500045


Vinesh Jain
Partner
Membership No.: 087701
UDIN: 20087701AAAABM3528



Place: Delhi
Date: 26 June, 2020

Parsvnath Estate Developers Private Limited
Balance Sheet as at 31 March, 2020

	Notes	As at 31-March-20 Rs in lakhs	As at 31-March-19 Rs in lakhs
Assets			
1. Non-current assets			
a. Other intangible assets	3	26,045.32	27,969.46
b. Intangible assets under development	3	13,507.17	10,962.51
c. Right of use asset	3	9,832.04	-
d. Financial assets			
i. Other financial assets	4	235.01	2,383.33
e. Current Tax assets (net)	8	2,104.74	2,223.76
f. Deferred tax assets (net)	17	781.00	1,248.00
g. Other non-current assets	9	8,659.73	9,489.60
Total non-current assets		<u>61,165.01</u>	<u>54,276.66</u>
2. Current assets			
a. Inventories	5	7,300.83	7,300.83
b. Financial assets			
i. Trade receivables	6	630.73	894.19
ii. Cash and cash equivalents	7	148.78	171.26
iii. Other financial assets	4	813.93	-
c. Other current assets	9	32,218.91	4,735.86
Total current assets		<u>41,113.18</u>	<u>13,102.14</u>
Total assets		<u>1,02,278.19</u>	<u>67,378.80</u>
Equity and Liabilities			
1. Equity			
a. Equity share capital	10	500.00	500.00
b. Other equity	11	(39,136.87)	(27,854.41)
Total Equity		<u>(38,636.87)</u>	<u>(27,354.41)</u>
2. Liabilities			
Non-current liabilities			
a. Financial liabilities			
i. Borrowings	12	1,17,209.24	85,165.77
ii. Other financial liabilities	14	12,366.90	2,491.37
b. Other non-current liabilities	15	1,411.74	1,221.18
Total non-current liabilities		<u>1,30,987.88</u>	<u>88,878.32</u>
Current liabilities			
a. Financial liabilities			
i. Trade Payables	13		
a. Total outstanding dues of micro enterprises and small enterprises			
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		1,194.40	1,081.86
ii. Other financial liabilities	14	2,240.39	303.16
b. Other current liabilities	15	6,478.91	4,457.92
c. Provisions	16	13.48	11.95
Total current liabilities		<u>9,927.18</u>	<u>5,854.89</u>
Total liabilities		<u>1,40,915.06</u>	<u>94,733.21</u>
Total equity and liabilities		<u>1,02,278.19</u>	<u>67,378.80</u>

See accompanying notes forming part of the financial statements

In terms of our report attached
For S. N. Dhawan & Co LLP
Chartered Accountants
Firm's Registration No. 000050N/NS00045

Vinesh Jain
Vinesh Jain
Partner
Membership No. 087701



For and on behalf of the Board of Directors

Arvind Kumar Mishra
Arvind Kumar Mishra
Director
DIN:08250280

Survamani Pandey
Survamani Pandey
Director
DIN:08250346

Place: Delhi
Date: 26 June, 2020

Parsvnath Estate Developers Private Limited
Statement of Profit and Loss for the year ended 31 March, 2020

	Notes	Year ended 31 March, 2020 Rs in lakhs	Year ended 31 March, 2019 Rs in lakhs
I Revenue from operations	18	7,521.68	8,909.11
II Other income	19	177.11	13.93
III Total income (I + II)		7,698.79	8,923.04
IV Expenses			
(a) Employee benefits expense	21	52.86	59.36
(b) Finance costs	22	14,933.11	11,856.78
(c) Depreciation and amortisation expense	23	2,245.71	1,938.57
(d) Other expenses	24	1,242.43	2,765.61
Total expenses (IV)		18,474.11	16,620.32
V Profit/(loss) before tax (III-IV)		(10,775.32)	(7,697.28)
VI Tax expense/(benefit):			
(i) Current tax		40.13	3.95
(ii) Tax adjustment for earlier years		-	7.02
(iii) Deferred tax		467.00	34.00
		507.13	44.97
VII Profit/(loss) for the year (V - VI)		(11,282.45)	(7,742.25)
VIII Other comprehensive income		-	-
IX Total comprehensive income for the year (VII + VIII)		(11,282.45)	(7,742.25)
X Earnings per equity share (face value Rs. 10 per sh)	32		
(1) Basic (in Rs)		(225.65)	(154.84)
(2) Diluted (in Rs)		(225.65)	(154.84)

See accompanying notes forming part of the financial statements

In terms of our report attached

For S. N. Dhawan & Co. LLP

Chartered Accountants

Firm's Registration No. 000050N/N500045

Vinesh Jain

Vinesh Jain

Partner

Membership No. 087701



For and on behalf of the Board of Directors

Arvind Kumar Mishra

Arvind Kumar Mishra

Director

DIN:08250280

Suryamani Pandey

Suryamani Pandey

Director

DIN:08250346

Place: Delhi

Date: 26 June, 2020

Parsvnath Estate Developers Private Limited
Statement of changes in equity for the year ended 31 March, 2020

A. Equity Share Capital

	Rs in lakhs
Balance as at 31 March, 2018	500.00
Changes in equity share capital during the year	-
Balance as at 31 March, 2019	500.00
Changes in equity share capital during the year	-
Balance as at 31 March, 2020	500.00

B. Other Equity

Particulars	Reserves and Surplus	
	Retained earnings	Total
Balance as at 31 March, 2018	(20,112.16)	(20,112.16)
Profit/(loss) for the year	(7,742.25)	(7,742.25)
Other comprehensive income for the year	-	-
Balance as at 31 March, 2019	(27,854.42)	(27,854.42)
Profit/(loss) for the year	(11,282.45)	(11,282.45)
Other comprehensive income for the year	-	-
Balance as at 31 March, 2020	(39,136.87)	(39,136.87)

See accompanying notes forming part of the financial statements

In terms of our report attached

For S. N. Dhawan & Co. LLP

Chartered Accountants

Firm's Registration No. 000050N/N500045

Vinesh Jain

Vinesh Jain
 Partner
 Membership No. 087701

Place: Delhi
 Date: 26 June, 2020

For and on behalf of the Board of Directors

Arvind Kumar Mishra
Arvind Kumar Mishra
 Director
 DIN: 08250280

Survamani Pandey
Survamani Pandey
 Director
 DIN: 08250346

Parsvnath Estate Developers Private Limited
Statement of Cash Flows for the year ended 31 March, 2020

Notes	Year ended 31 March, 2020 Rs in lakhs	Year ended 31 March, 2019 Rs in lakhs
Cash flows from operating activities		
Profit/(loss) for the year	(10,775.32)	(7,697.28)
Adjustments for :		
Finance costs recognised in profit or loss	14,933.11	11,856.78
Interest income recognised in profit or loss	(137.57)	(13.93)
Provision for employee benefit	1.53	2.66
Depreciation and amortisation expense	<u>2,245.71</u>	<u>1,938.57</u>
Movements in working capital:	6,267.46	6,086.81
(Increase)/decrease in trade and other receivables	263.47	(786.78)
(Increase)/decrease in other non current financial assets	2,148.32	1,451.68
(Increase)/decrease in other non current assets	1,041.16	1,911.30
(Increase)/decrease in other current financial assets	(801.36)	16,585.44
(Increase)/decrease in other current assets	(30,155.05)	260.23
Increase/(decrease) in trade payables	112.55	206.03
Increase/(decrease) in other non current financial liabilities	225.82	192.23
Increase/(decrease) in other non current liabilities	190.56	(1,316.38)
Increase/(decrease) in other current financial liabilities	6.67	16.16
Increase/(decrease) in other current liabilities	2,020.99	812.96
Increase/(decrease) in lease assets/liabilities (net)	<u>624.08</u>	<u>-</u>
Cash generated from operations	(18,055.33)	25,419.68
Income tax paid/refund (net)	78.88	(678.87)
Net cash (used in)/generated by operating activities	(17,976.45)	24,740.81
Cash flows from investing activities		
Interest received	125.00	33.72
Capital expenditure on Intangible assets (including development)	(3,087.51)	(2,607.50)
Net Cash (used in) /generated by investing activities	(2,962.51)	(2,573.78)
Cash flows from financing activities		
Proceeds from /(Repayment of) current borrowings	-	(8,689.82)
Proceeds from non current borrowings	32,043.47	85.87
Finance costs paid	(11,126.99)	(13,541.12)
Net Cash (used in)/generated by financing activities	20,916.48	(22,145.07)
Net increase in Cash and cash equivalents	(22.48)	21.98
Cash and cash equivalents at the beginning of the year	171.26	149.28
Cash and cash equivalents at the end of the year	148.78	171.26

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

See accompanying notes forming part of the financial statements

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

Vinesh Jain
Vinesh Jain
Partner
Membership No. 087701

For and on behalf of the Board of Directors

Arvind Kumar Mishra
Arvind Kumar Mishra
Director
DIN:08250280

Suryamani Pandey
Suryamani Pandey
Director
DIN:08250346

Place: Delhi
Date: 26 June, 2020

1. CORPORATE INFORMATION

PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED ("the Company") was incorporated on 24th July, 2007 under the name Farhat Developers Private Limited and became a subsidiary of Parsvnath Developers Limited with effect from 27th August, 2010. The name of the Company was changed to 'Parsvnath Estate Developers Private Limited' with effect from 22 November 2010 and fresh certificate of incorporation was issued by the Registrar of Companies, Delhi and Haryana. The Company is primarily engaged in the business leasing of commercial buildings.

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 Income from licence fee is recognised on accrual basis in accordance with the terms of agreement with the sub-licensees.



PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020

- ii. Income from rent is recognised on accrual basis in accordance with the terms of agreement with the lessee.
- iii. Income from maintenance charges is recognised on accrual basis.
- iv. 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 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

a. As lessor

Receipts from operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease. Where the lease payments are structured to increase in line with expected general inflation to compensate for expected inflationary cost increases, lease income is recognised as per the contractual terms.

b. As lessee

The company has applied Ind AS 116 as at the commencement date of 1 April, 2019 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

Short-term leases and leases of low-value assets

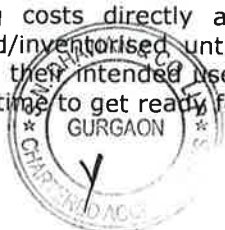
The company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Till Previous year ended 31 March, 2019:

Payments for operating leases were recognised in the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease. Where the lease payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, lease expense was recognised as per the contractual terms. Contingent rentals arising under operating leases are recognised as an expense in the period in which they were incurred.

2.5 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.



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PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020

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

2.6 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.

Liability for gratuity is provided on the basis of management estimate.

2.7 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.

2.8 Service Concession Arrangements

The Company has received licence rights on land, from Delhi Metro Rail Corporation (DMRC) on Build-Operate-Transfer (BOT) basis for specified period mentioned in the Licence Agreement. The Company has right for construction of infrastructural facilities and use it to earn revenue during the licence period. The cost relating to construction of such infrastructure facilities is recognised as Intangible Asset. The Cost of construction is considered as fair value of these intangible assets i.e no margin is recognised on construction services. The Company does not recognise any revenue from construction services. Once the infrastructure is in operations, revenue from these Intangible Assets is recognised in terms of contract with the customers.

2.9 Property, plant and equipment

Property, plant and equipment is stated at their cost of acquisition/construction, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, directly attributable costs for making the asset ready for its intended use, borrowing costs attributable to construction of qualifying asset, upto the date the asset is ready for its intended use.

Subsequent expenditure related to an item of property, plant and equipment is included in the carrying amount ~~only~~ if it increases the future benefits from the existing asset beyond its previously assessed standards of performance.



PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from the use. Any gain or loss arising on re-recognition to the asset is included in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'

2.10 Intangible assets

Intangible assets comprises buildings constructed on 'Build-operate-Transfer' (BOT) basis. The company has unconditional right to use/lease such assets during the specified period. After expiry of specified period, these assets will get transferred to licensor without any consideration. Since, the Company has no ownership rights over these assets and has limited right of use during the specified period, these assets are classified as intangible assets. These intangible assets are initially recognised at their cost of construction. The cost comprises purchase price, directly attributable costs for making the asset ready for its intended use, borrowing costs attributable to construction of qualifying asset, upto the date the asset is ready for its intended use.

Subsequent to initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Intangible assets under development'

Intangible assets are amortised on a straight line basis over the licence period (right to use) which ranges from 12 to 30 years.

2.11 Amortisation of building, plant and equipment etc. classified as Intangible assets

Depreciation on property, plant and equipment classified as Intangible assets is provided on straight line basis as per the useful life prescribed in Schedule II to the Companies Act, 2013, Accordingly the useful life of the assets taken is as under:

Asset	Useful life
Plant and equipment	8 years
Furniture and fixture	8 years
Office equipment	5 years
Computer	3 years

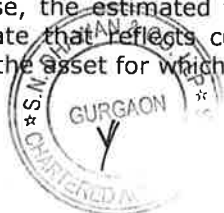
Cost of building on land held on license basis is amortized over the remaining period of license of project facility on straight line basis.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.



PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 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.

2.14 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.

2.15 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.

2.16 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.



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2.17 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.

2.18 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.

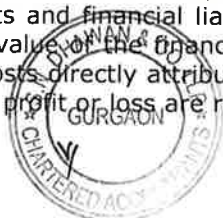
2.19 Operating cycle

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.

2.20 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.



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2.21 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, lease receivables, 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



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PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020

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.

2.22 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.



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PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020

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.

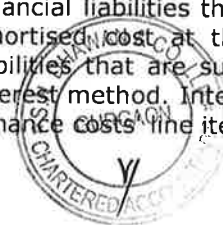
Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

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.



PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2020

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.



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2.23. 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.

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 and recognition of deferred tax assets
- c. Provision for expected credit losses
- d. Amortisation of intangible assets
- e. Discount rate for calculating present value of lease liability



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3. Other intangible assets

	As at 31-March-20	As at 31-March-19
	Rs in lakhs	Rs in lakhs
Net Carrying amounts of Assets on build-operate-transfer (BOT) basis:		
Building on leasehold land:		
- Given under operating lease	20,733.36	21,774.21
Plant and equipment	1,844.27	2,215.93
Furniture and fixture	2,714.97	2,988.36
Office equipment	624.87	749.33
Computers	0.94	8.43
	126.91	233.19
	26,045.32	27,969.46
	13,507.17	10,962.51
Right of use assets:		
Right of use assets	6,255.35	
Right of use assets under development	3,576.69	
	9,832.04	

3. Intangible assets under development

3. Right of use assets:

Right of use assets
Right of use assets under development

	Building given under operating lease	Plant and equipment	Plant and equipment	Furniture and fixture	Office equipment	Computers	Total other intangibles	Right of use assets	Intangible assets under development
	Rs in lakhs	Rs in lakhs	Rs in lakhs	Rs in lakhs	Rs in lakhs	Rs in lakhs	Rs in lakhs	Rs in lakhs	Rs in lakhs
Cost or deemed cost	25,935.67	3,701.29	4,070.82	1,244.57	39.86	703.71	35,695.93	-	8,512.20
Balance as at 31 March, 2018	25,935.67	3,701.29	4,070.82	1,244.57	39.86	703.71	35,695.93	-	8,512.20
Additions			7.61			2.89	10.50		2,450.31
Balance as at 31 March, 2019	25,935.67	3,701.29	4,078.43	1,244.57	39.86	706.60	35,706.43	-	10,962.51
Additions		1.10				14.37	15.47	6,561.45	2,544.66
Balance as at 31 March, 2020	25,935.67	3,702.39	4,078.43	1,244.57	39.86	720.96	35,721.90	6,561.45	13,507.17
Accumulated amortisation									
Balance as at 31 March, 2018	3,120.61	1,112.67	816.88	370.79	23.33	354.12	5,798.40	-	-
Amortisation expense	1,040.85	372.69	273.20	124.46	8.09	119.28	1,938.57	-	-
Balance as at 31 March, 2019	4,161.46	1,485.36	1,090.07	495.26	31.41	473.41	7,736.97	-	-
Amortisation expense	1,040.85	372.77	273.39	124.46	7.49	120.65	1,939.61	306.10	-
Balance as at 31 March, 2020	5,202.31	1,858.12	1,363.46	619.73	38.89	594.06	9,676.58	306.10	-
Net Carrying amount									
Balance as at 31 March, 2019	21,774.21	2,215.93	2,988.36	749.33	8.43	233.19	27,969.46	-	10,962.51
Balance as at 31 March, 2020	20,733.36	1,844.27	2,714.97	624.87	0.94	126.91	26,045.32	6,255.35	13,507.17



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Notes:

Intangible assets

a. Assets on Build-operate-transfer (BOT) basis

Intangible assets comprises buildings constructed on 'Build-operate-Transfer' (BOT) basis. The company has unconditional right to use/lease such assets during the specified period. After expiry of specified period, these assets will get transferred to licensor without any consideration. Since, the Company has no ownership rights over these assets and has limited right of use during the specified period, these assets are classified as intangible assets.

BOT assets have been further bifurcated in:

Building on leasehold land
Plant and equipment
Furniture and fixture
Office equipment
Computers

b. Intangible assets under development

Intangible assets (BOT) which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Intangible assets under development'

c. Right of use assets

Right to use assets is lease liability measured at cost, which comprises initial amount of lease liability adjusted for lease payments made at or before the commencement date of 1 April, 2019 (see note 2)



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Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2020

	<u>As at</u> <u>31-March-20</u> <u>Rs in lakhs</u>	<u>As at</u> <u>31-March-19</u> <u>Rs in lakhs</u>
4. Other financial assets		
Non-Current		
a. Security deposit to holding company	-	2,148.32
b. Security deposits to others	33.41	33.41
c. Margin money to holding company	201.60	201.60
	<u>235.01</u>	<u>2,383.33</u>
Current		
a. Security deposit to holding company	317.91	-
b. Interest accrued on deposits	12.57	-
c. Other receivables	483.45	-
	<u>813.93</u>	<u>-</u>
5. Inventories (lower of cost and net realisable value)		
a. Work-in-progress	<u>7,300.83</u>	<u>7,300.83</u>
	<u>7,300.83</u>	<u>7,300.83</u>
Note:		
The Company has classified its inventory of work-in-progress as current.		
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	<u>7,300.83</u>	<u>7,300.83</u>
	<u>7,300.83</u>	<u>7,300.83</u>
6. Trade receivables		
Current		
a. Unsecured, considered good	<u>630.73</u>	<u>894.19</u>
	<u>630.73</u>	<u>894.19</u>
Note:		
1. The average credit period is 10 days. For payments, beyond credit period, interest is charged at 18% per annum on outstanding balances.		
7. Cash and cash equivalents		
a. Balances with banks		
i. in current accounts	148.58	170.35
b. Cash on hand	0.20	0.91
	<u>148.78</u>	<u>171.26</u>
8. Current tax assets (net)		
a. Tax refund receivable	<u>2,104.74</u>	<u>2,223.76</u>
	<u>2,104.74</u>	<u>2,223.76</u>
9. Other assets		
Non-Current		
a. Capital advances	354.99	143.70
b. Advances to vendors	4.48	5.58
c. Upfront fees (unamortised)	8,300.26	9,340.32
	<u>8,659.73</u>	<u>9,489.60</u>
Current		
a. Advance for purchase of land to related parties	31,000.00	-
b. Prepaid expenses	229.72	2,894.93
c. Upfront fees (unamortised)	978.69	1,830.43
d. Others	10.50	10.50
	<u>32,218.91</u>	<u>4,735.86</u>



Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2020

10 .Equity Share Capital

	As at 31-March-20 Rs in lakhs	As at 31-March-19 Rs in lakhs
Equity share capital	500.00	500.00
	500.00	500.00
Authorised Share Capital		
Class A		
37,75,000 (as at 31 March,2019: 37,75,000) Class A equity shares of Rs. 10 each	377.50	377.50
Class B		
12,25,000 (as at 31 March,2019: 12,25,000) Class B equity shares of Rs. 10 each	122.50	122.50
	500.00	500.00
Issued, subscribed and fully paid up capital		
Class A		
37,75,000 (as at 31 March,2019: 37,75,000) fully paid Class A equity shares of Rs. 10 each	377.50	377.50
Class B		
12,25,000 (as at 31 March,2019: 12,25,000) fully paid Class B equity shares of Rs. 10 each	122.50	122.50
	500.00	500.00

10.1- Reconciliation of share capital

	Class A		Class B	
	Number of Shares in	Share Capital Rs./lacs	Number of Shares in	Share Capital Rs./lacs
Balance as at April 1, 2018	37,75,000	377.50	12,25,000	122.50
Movements during the year				
Balance as at March 31, 2019	37,75,000	377.50	12,25,000	122.50
Movements during the year				
Balance as at March 31, 2020	37,75,000	377.50	12,25,000	122.50

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

The company has two class of equity shares having a par value of Rs10 per share. Each class A shareholder is entitled to one vote per share and Class B shareholder is entitled to three vote per share.

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

	As at 31-March-20 No of shares	As at 31-March-19 No of shares
	Parsvnath Developers Limited, the holding company	
Class A Share	37,75,000	37,75,000
Class B shares	12,25,000	12,25,000

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

	As at March 31, 2020		As at March 31, 2019	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
i. Class A				
Parsvnath Developers Limited	37,75,000	100.00%	37,75,000	100.00%
ii. Class B				
Parsvnath Developers Limited	12,25,000	100.00%	12,25,000	100.00%



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Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2020

	<u>As at</u> <u>31-March-20</u> <u>Rs in lakhs</u>	<u>As at</u> <u>31-March-19</u> <u>Rs in lakhs</u>
11. Other equity		
a. Retained earnings	<u>(39,136.87)</u>	<u>(27,854.41)</u>
	(39,136.87)	(27,854.41)
a. Retained earnings		
Balance at the beginning of the year	(27,854.41)	(20,112.16)
Profit/(loss) for the year	(11,282.45)	(7,742.25)
Balance at the end of the year	(39,136.87)	(27,854.41)

Nature and purpose of reserves:

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



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Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2020

	As at 31-March-20	As at 31-March-19
	Rs in lakhs	Rs in lakhs
12. Borrowings		
Non current		
Secured - at amortised cost		
a. Term loan		
- From others	1,17,209.24	85,165.77
	1,17,209.24	85,165.77

Term loan from a non banking financial company is secured by
a. Second-ranking hypothecation/charge on and escrow of all Receivables received/to be received by the Company and/or Parsvnath Developers Limited from the project "Parsvnath Capital Tower" at Bhai Veer Singh Marg, near Gole Market, New Delhi subject to first charge of Delhi Metro Rail Corporation (DMRC);

b. First-ranking and exclusive pledge/charge of 49% of all of each class of present and/or future shares/securities and/or the convertible/voting instruments issued/to be issued by the Company.

c. 51% of each class of shares under negative lien.

d. Corporate guarantee of Parsvnath Developers Limited and a fellow subsidiary company

e. Cross collateralization of some other assets owned by holding company and its associates

f. Term loan of upto Rs. 32,810 lakhs is repayable in monthly instalments commencing from April, 2017; of upto Rs. 14200 lakhs in monthly instalments commencing from May, 2018, of upto Rs. 47,800 lakhs in monthly instalments commencing from June, 2018; of upto Rs. 12500 lakhs in monthly instalments commencing from August, 2019, of upto Rs. 40450 lakhs in quarterly instalments commencing from September, 2020

g. Interest is ranging from 10.00% pa. to 18.83% per annum

h. Based on discussions with the lender, the Company expects extension of loan repayment, accordingly no amount has been disclosed as current maturities



Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2020

	As at 31-March-20 Rs in lakhs	As at 31-March-19 Rs in lakhs
13. Trade Payables		
Current		
a. Trade payables	1,194.40	1,081.86
	1,194.40	1,081.86
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.		
14. Other financial liabilities		
Non current		
a. Security deposits received	2,717.19	2,491.37
b. Lease liability	9,649.71	-
	12,366.90	2,491.37
Current		
a. Interest accrued and due	639.03	-
b. Interest accrued but not due	495.09	-
c. Security deposits received	75.31	68.64
d. Payables on purchase of fixed assets	224.56	234.52
e. Lease liability	806.40	-
	2,240.39	303.16
15. Other liabilities		
Non current		
a. Rent received in advance	1,411.74	1,221.18
	1,411.74	1,221.18
Current		
a. Statutory liabilities	6,478.91	4,457.92
	6,478.91	4,457.92
16. Provisions		
Current		
a. Employee benefits	13.48	11.95
	13.48	11.95
Break-up is as under:		
Provision for gratuity	6.83	5.61
Provision for compensated absences	6.65	6.34
	13.48	11.95



Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2020

	<u>As at 31-March-20 Rs in lakhs</u>	<u>As at 31-March-19 Rs in lakhs</u>	
17. Deferred tax assets (net)			
Deferred tax assets	4,084.00	4,270.00	
Deferred tax liabilities	(3,303.00)	(3,022.00)	
Net	781.00	1,248.00	
	<u>Opening balance</u>	<u>Recognised in Profit or loss</u>	<u>Closing balance</u>
	<u>Rs in lakhs</u>	<u>Rs in lakhs</u>	<u>Rs in lakhs</u>
Year ended 31 March, 2020			
Deferred Tax (liabilities)/assets in relation to Property, Plant and Equipment	(3,022.00)	(281.00)	(3,303.00)
	(3,022.00)	(281.00)	(3,303.00)
Deferred tax assets:			
Tax losses	4,270.00	(186.00)	4,084.00
	1,248.00	(467.00)	781.00
Year ended 31 March, 2019			
Deferred Tax (liabilities)/assets in relation to Property, Plant and Equipment	(2,703.00)	(319.00)	(3,022.00)
	(2,703.00)	(319.00)	(3,022.00)
Deferred tax assets:			
Tax losses	3,985.00	285.00	4,270.00
	1,282.00	(34.00)	1,248.00

Notes:

1. The Company has tax losses of Rs. 15,709.72 lakhs (31 March, 2019 - Rs. 16,421.36 lakhs) that are available for off setting for eight years against future taxable income of the Company. The losses will expire as under:

	<u>Rs. in lakhs</u>
Year ending 31 March, 2023	5,805.56
Year ending 31 March, 2024	4,515.33
Year ending 31 March, 2025	2,176.22
Year ending 31 March, 2026	2,117.46
Year ending 31 March, 2027	1,095.14
Year ending 31 March, 2028	-

2. The Company has recognised deferred tax assets on its unabsorbed depreciation and business losses carried forward. The Company has executed long term lease agreements with its tenants. Based on these lease agreements, the Company has certainty as on the date of the balance sheet, that there will be sufficient taxable income available to realise such assets in the near future. Accordingly, the Company has created deferred tax assets on its carried forward unabsorbed depreciation and business losses.
3. The recognition of deferred tax assets on tax losses is based on detailed budgets prepared by the Company has have been approved by the board of directors.






Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2020

	<u>Year ended</u> <u>31 March, 2020</u> Rs in lakhs	<u>Year ended</u> <u>31 March, 2019</u> Rs in lakhs
18. Revenue from operations		
a. Lease income received	6,875.75	8,181.04
b. Maintenance charges income	645.93	728.07
	<u>7,521.68</u>	<u>8,909.11</u>
19. Other income		
a. Interest income:		
i. on deposits with bank	0.11	-
ii. on deposits with others	13.97	13.93
iii. on income tax refund	123.49	-
b. Excess provision written back	34.83	-
c. Miscellaneous income	4.71	-
	<u>177.11</u>	<u>13.93</u>
20. Changes in inventories of work-in-progress		
a. Inventories at the beginning of the year		
i. Work-in-progress	7,300.83	7,300.83
b. Inventories at the end of the year		
i. Work-in-progress	7,300.83	7,300.83
c. Net (increase) /decrease	<u>-</u>	<u>-</u>
21. Employee benefits expense		
a. Salaries and wages	52.86	59.36
	<u>52.86</u>	<u>59.36</u>
22. Finance costs		
a. Interest expenses:		
i. on borrowings	13,161.29	10,820.89
ii. others	1,060.53	347.65
iii. on delayed payment of statutory liabilities	694.59	671.96
	<u>14,916.41</u>	<u>11,840.50</u>
iv. Other borrowing cost	16.70	16.28
	<u>14,933.11</u>	<u>11,856.78</u>
23. Depreciation and amortisation expense		
a. Amortisation of intangible assets	1,939.61	1,938.57
b. Amortisation of right of use assets	306.10	-
	<u>2,245.71</u>	<u>1,938.57</u>
24. Other expenses		
a. Power and fuel	214.67	233.45
b. Lease rentals	159.77	639.58
c. Repair and maintenance - Building	33.91	44.34
d. Repair and maintenance - Others	15.10	14.77
e. Insurance	11.94	7.31
f. Rates and taxes	18.40	1.20
g. Printing and stationery	0.11	0.23
h. Advertisement and business promotion	100.00	-
i. Security and housekeeping expenses	303.33	299.77
j. Software development charges	25.00	-
k. Legal and professional charges	6.46	1,508.02
l. Payment to auditors - Statutory audit fee	4.00	4.00
m. Stamp duty	345.93	-
n. Miscellaneous expenses	3.81	12.94
	<u>1,242.43</u>	<u>2,765.61</u>



(Signature)

(Signature)

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2020

25 Income tax

- i. Income tax expense/(benefit) recognised in Statement of Profit and Loss

Current tax

In respect of the current year
 Tax adjustment for earlier years

Year ended 31 March, 2020 Rs. in lakhs	Year ended 31 March, 2019 Rs. in lakhs
40.13	3.95
-	7.02
<u>40.13</u>	<u>10.97</u>

Deferred tax

In respect of the current year

467.00	34.00
<u>467.00</u>	<u>34.00</u>

Total income tax expense recognised

507.13	44.97
---------------	--------------

- ii. Income tax expense/(benefit) reconciliation with effective tax rate on accounting profit:

Profit/(loss) before tax

(10,775.32) (7,697.28)

Income tax expense calculated at 26% (2018-19: 26%)

(2,801.58) (2,001.29)

Income tax adjustment for earlier years

-

Effect of expenses that are not deductible in determining taxable profit

2,294.45 2,039.24

Income tax expense/(benefit) recognised in statement of profit and loss

(507.13) 44.97

The tax rate used for the years 2019-20 and 2018-19 reconciliations above is the corporate tax rate of 25% plus cess of 4% on corporate tax, payable by corporate entities in India on taxable profits under the Indian tax law.

- iii. Income tax recognised in other comprehensive income

Remeasurements of defined benefit obligation

Total income tax recognised in other comprehensive income

-	-
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Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2020

26. The Company does not have any pending litigations which would impact its financial position.
27. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
28. The Company entered into 'Amended and Restated Investment and Security Holder's Agreement' (in supersession of the Investment and Security Holder's Agreement dated March 25, 2010) dated September 14, 2010 with its Holding Company - Parsvnath Developers Limited (PDL) and two Overseas Investment Entities viz., City Centre Monuments and Emtons Holdings Limited (collectively referred to as 'Investors') for the development of office complex on the plot of land measuring 15,583.83 square metres situated at Bhai Veer Singh Marg, New Delhi on the terms and conditions contained in the aforesaid agreement. The rights in the said plot have been assigned on 'Build Operate Transfer' (BOT) basis to the Company by PDL with the approval of Delhi Metro Rail Corporation Limited (DMRC).

Pursuant to the aforesaid agreement, the Company had allotted 1,225,000 Class B Equity Shares of ` 10 each and 11,177,500 Fully Convertible Debentures (carrying interest @15.50% per annum) of ` 100 each to the Investors during the Financial Year 2010-11. The Company had also allotted 3,765,000 Class A Equity Shares of ` 10 each and 1,74,75,000 Optionally Convertible Debentures (carrying interest @15.50% per annum) of ` 10 each to PDL.

Pursuant to the Fourth and the Fifth Supplementary Agreement (in relation to and with reference to the 'Amended and Restated Investment and Security Holder's Agreement' dated September 14, 2010) entered on 10 October, 2011 and 14 December, 2011 respectively, by the Company with PDL and Investors, the Company had allotted 25,00,000 Fully Convertible Debentures - Series B (carrying interest @17.25% per annum) of ` 100 each and 17,40,000 Fully Convertible Debentures - Series C (carrying interest @17.75% per annum) of ` 100 each to the investors namely Emtons Holdings Limited. The Company also allotted 34,88,000 Optionally Convertible Debentures of ` 10 each to PDL. Further, pursuant to the Fourth Supplementary Agreement, 46,09,500 Optionally Convertible Debentures of ` 10 each, held by PDL, were redeemed in financial year 2011-12.

During the financial year 2016-17, PDL acquired all the securities of the Company held by the two Investors and the Company became a wholly owned subsidiary of PDL with effect from 25 May 2016.

29. Commitments

i. Capital Commitments

	As at 31 March, 2020	As at 31 March, 2019
	Rs in lakhs	Rs in lakhs
Estimated amount of contracts remaining to be executed on capital account (net of advances)	186.00	559.19

30. Employee benefit plan

The Company offers its employees defined benefit plan in the form of a gratuity scheme. Benefits under gratuity scheme are based on year's of service and employee remuneration. The scheme provides for lump sum payment to vested employees at retirement, death while on employment, resignation or on termination of employment.

Amount is equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months. Vesting occurs upon completion of 5 years of continuous service.

The following table sets out the amount recognised in respect of gratuity in the financial statements:

	As at 31 March, 2020	As at 31 March, 2019
	Rs. in lakhs	Rs. in lakhs
Liability at the beginning of the year	5.61	3.66
Current service cost	1.22	3.17
Paid during the year	-	1.22
Liability at the end of the year	6.83	5.61
Expensed recognised in the Statement of Profit and Loss	1.22	3.17

31. Segment reporting

The Company is engaged in the business of leasing of 'Real Estate' properties. 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 2019-20



Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2020

32. 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 (11,282.45)	(7,742.25)
ii.	Weighted average number of equity shares outstanding during the year	Numbers 50,00,000	50,00,000
iii.	Basic and diluted earnings per share	Rs. (225.65)	(154.84)
iv.	Nominal value of equity shares	Rs. 10	10.00

33. The Company is setting up a project on Build Operate Transfer (BOT) basis. Costs incurred on this Projects till completion of the project are reflected as 'Intangible assets under development'. Details of incidental expenditure incurred during construction in respect of the project debited to 'Intangible assets under development' are as under:

	<u>Year ended 31 March, 2020 Rs. in lakhs</u>	<u>Year ended 31 March, 2019 Rs. in lakhs</u>
a.	Legal and professional charges 6.49	16.34
b.	Licence fee 84.32	345.49
	<u>90.81</u>	<u>361.83</u>

34. Details of borrowing costs capitalised during the year:

	<u>Year ended 31 March, 2020 Rs. in lakhs</u>	<u>Year ended 31 March, 2019 Rs. in lakhs</u>
a.	Intangible assets under development 1,876.88	1,293.08
	<u>1,876.88</u>	<u>1,293.08</u>

35. 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).

36. Related party disclosures

i. List of related parties (with whom the Company had transactions during the year)

(a) Holding Company

- Parsvnath Developers Limited



Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2020

ii. Balances outstanding/transactions with related parties

	<u>Holding Company</u> Rs. In lakhs
(a) Transactions during the year	
Interest income on deposits	13.97 (13.93)
Security deposit received back	2,348.32 (19,673.22)
Security deposit paid	517.91 (1,636.00)
Advance paid for purchase of land	31,000.00 (-)
Advances paid	483.45 (-)
Financial quarantees issued by	40,500.00 (-)
(b) Balances at year-end	
Security deposits (asset)	317.91 (2,148.32)
Margin money (asset)	201.60 (201.60)
Interest accrued on deposits	12.57 (-)
Advance for purchase of land	31,000.00 (-)
Other receivables	483.45 (-)
Gurantees received	672.00 (672.00)
Financial quarantees issued by	1,48,200.00 (1,07,700.00)

Notes:

- 1 All related party transactions entered during the year were in ordinary course of business and are on arm's length basis. For the year ended 31 March, 2020, the Company has not recorded any impairment of receivables from related parties (31 March, 2019 - Nil). The Company makes this assessment each financial year through examination of the financial position of the related party and the market condition in which the related party operates.
- 2 Figures in brackets represent figures as at and for the year ended 31 March, 2019.



Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2020

37 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		Rs. in lakhs				
	Total	Amortised Cost	At cost	FVTPL		Total	Amortised Cost	At cost	FVTPL
Financial assets									
i. Trade receivables	630.73	630.73	-	-	894.19	894.19	-	-	-
ii. Cash and cash equivalents	148.78	148.78	-	-	171.26	171.26	-	-	-
iii. Other financial assets	1,048.94	1,048.94	-	-	2,383.33	2,383.33	-	-	-
Total financial assets	1,828.45	1,828.45	-	-	3,448.78	3,448.78	-	-	-
Financial liabilities									
i. Borrowings	1,17,209.24	1,17,209.24	-	-	85,165.77	85,165.77	-	-	-
ii. Trade Payables	1,194.40	1,194.40	-	-	1,081.86	1,081.86	-	-	-
iii. Other financial liabilities	14,607.29	14,607.29	-	-	2,794.53	2,794.53	-	-	-
Total financial liabilities	1,33,010.94	1,33,010.94	-	-	89,042.16	89,042.16	-	-	-

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.



38. Operating lease arrangements - As lessee

The company has applied Ind AS 116 using the modified retrospective approach, under which lease liability as at the commencement date of 1 April, 2019 has been recognised and equivalent amount of 'Right of use asset' have been recognised

Right of use assets of Rs. 10138.14 lakhs and lease liabilities of Rs. 10,138.14 lakhs have been recognised as on 1 April, 2019.

The impact of change in accounting policy on account on adoption of Ind AS 116 is as follows:

- a. Increase in lease liability by Rs 10,456.11 lakhs
- b. Increase in rights of use by Rs. 9,832.04 lakhs
- c. Increase in finance cost by Rs. 1124.38 lakhs
- d. Increase in depreciation by Rs. 306.10 lakhs

The carrying value of right of use assets at the end of the 31 March, 2020

	<u>Year ended</u> <u>31 March, 2020</u> Rs. in lakhs	<u>Year ended</u> <u>31 March, 2019</u> Rs. in lakhs
a. Balance as at the beginning of the year	10,138.14	-
b. Depreciation charged during the year	306.10	-
c. Balance as at the end of the year	9,832.04	-

Maturity analysis of lease liabilities – contractual undiscounted cash flows

	<u>Year ended</u> <u>31 March, 2020</u> Rs. in lakhs	<u>Year ended</u> <u>31 March, 2019</u> Rs. in lakhs
a. Not later than one year	806.40	806.40
b. Later than one year but not later than five years	3,886.85	3,628.80
c. Later than five years	28,232.78	29,297.23

Total undiscounted lease liabilities at 31 March 2020

Lease liabilities included in the statement of financial position at 31 March 2020

Current	806.40	-
Non current	9,649.71	-
	<u>10,456.11</u>	<u>-</u>

Amounts recognised in profit or loss

	<u>Year ended</u> <u>31 March, 2020</u> Rs. in lakhs	<u>Year ended</u> <u>31 March, 2019</u> Rs. in lakhs
Interest on lease liabilities	1,124.38	-
Amortisation of right to use assets	306.10	-

Previous year: Lease charges of Rs. 639.58 lakhs was recognised in Statement of Profit and Loss

39. Operating lease arrangements - As lessor

The Company has given certain building and facilities under non-cancellable operating leases.

Lease income (licence fee) recognised in the Statement of Profit and Loss is as under:

	<u>Year ended</u> <u>31 March, 2020</u> Rs. in lakhs	<u>Year ended</u> <u>31 March, 2019</u> Rs. in lakhs
Licence fee income	6,875.75	8,181.04
a. Recognised in statement of profit and loss	<u>6,875.75</u>	<u>8,181.04</u>

The total of future minimum lease receivables are as follows:

	<u>As at</u> <u>31 March, 2020</u> Rs. in lakhs	<u>As at</u> <u>31 March, 2019</u> Rs. in lakhs
a. Not later than one year	1,232.40	3,043.38
b. Later than one year but not later than five years	3,193.26	7,225.64
c. Later than five years	402.68	1,033.22
	<u>4,828.34</u>	<u>11,302.24</u>






40. 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 and deposits with holding company.

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, 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:

	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	1,17,209.24	-	43,381.99	73,827.25
Trade payables	1,194.40	1,194.40	-	-
Other financial liabilities	14,607.29	2,240.39	4,571.91	7,794.99
	1,33,010.94	3,434.80	47,953.90	81,622.24
As at 31 March, 2019				
Borrowings	85,165.77	11,978.40	30,399.45	42,787.92
Trade payables	1,081.86	1,081.86	-	-
Other financial liabilities	2,794.53	303.15	2,491.37	-
	89,042.16	13,363.41	32,890.82	42,787.92

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 fixed rate borrowings. The Company does not enter into any interest rate swaps.



Parsvnath Estate Developers Private 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	As at 31 March, 2019
	Rs. in lacs	Rs. in lacs
Variable rate borrowings		
Long Term	-	-
Short Term	-	-
Total Variable rate Borrowing	-	-
Fixed Rate Borrowings		
Long Term	1,17,209.24	85,165.77
Short Term	-	-
Total Fixed rate Borrowing	1,17,209.24	85,165.77
Total Borrowing	1,17,209.24	85,165.77

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 is exposed to credit risk for receivables from its customers deposits.

Customers credit risk is managed, generally by receipt of security deposit / advance rent from the lessee. The Company credit risk with respect to customers is diversified due to different customers.

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, 2020	As at 31 March, 2019
	Rs. in lakhs	Rs. in lakhs
Outstanding for more than 6 months	40.89	45.63
Outstanding for 6 months or less	589.83	848.56
	630.73	894.19






Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2020

41. 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, 2020	As at 31 March, 2019
	Rs. in lacs	Rs. in lacs
Borrowings:		
- Long term	1,17,209.24	85,165.77
- Short term	-	-
- Current maturities of long term borrowings	-	-
Total borrowings - A	1,17,209.24	85,165.77
Equity		
- Share capital	500.00	500.00
- Other equity	(39,136.87)	(27,854.41)
Total Equity - B	(38,636.87)	(27,354.41)
Debt to equity ratio (A/B)	(3.03)	(3.11)

42. The Company has entered into long-term leasing arrangements, which ensures regular leasing income. The Phase II of the project is near completion, which will be leased out and generate additional revenue. Although, net worth of the Company has fully eroded, the management believes that the Company does not have any issue to meet its obligations. Moreover, the holding company has also committed financial support. Accordingly, these financial statements have been prepared on the fundamental assumption of going concern.

43. The outbreak of Coronavirus (COVID-19) pandemic has caused significant disturbance and slowdown of economic activity. The Company has assessed the economic impact of Covid-19 on its business by evaluating various scenarios on certain assumptions and current indicators of future economic conditions and on the basis of internal and external sources of information. Based on this, the Company has assessed recoverability and carrying value of its assets comprising intangible assets, right of use assets, advances, deferred tax assets and other financial and non-financial assets and believes that it will recover the carrying value of all its assets. The management does not expect any significant impact on its operations and will continue to closely monitor any material changes arising out of future economic conditions and impact on its business.

44. Events after the reporting period

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

45. Approval of the financial statements

The financial statements were approved for issue by Board of Directors on 26 June, 2020



For and on behalf of the Board of Directors

Arvind Kumar Mishra
 Director
 DIN:08250280

Suryamani Pandey
 Director
 DIN:08250346

Place: Delhi
 Date: 26 June, 2020