VISION
COMMITMENT
PRUDENCE
EXECUTION

Parsvnaths
committed to build a better world

Parsvnath Developers Limited | Annual Report 2018 - 19

Inside this Report

Vision Commitment Prudence Execution

Tough times, tougher measures, that's our mantra to sustain the difficult times today and prepare for a brighter tomorrow.

At Parsvnaths, we turned to our core fundamentals when faced with challenges from external environment and internal business conditions. We looked at our challenges through our foresighted vision. We resolved to stand by our commitment to brand Parsvnaths and our fundamentally strong business structure. We are exercising due prudence in our financial and operational acumen. We are focused on executing what has already been strategized and committed.

We believe that our strong fundamentals are our strength- right from our vision to see farther; commitment to build a better world; fiscal & operational prudence; and focus on execution.

'At Parsvnaths we are committed to build a better world'

Vision Commitment Prudence Execution

The recent two financial years have seen Indian real estate industry going through its one of the most comprehensive transformation phases and sustaining it. This period saw demonetization, GST and RERA implementation. These changes presented challenges and opportunities to the industry.

The Parsvnath 27, KG Marg

The whirlwind of these changes along with internal business challenges have presented Parsvnaths with a sustained period of lower than benchmark performance. We believe that it is important to sustain today by thinking out-of-the-box for staying relevant tomorrow. During FY2018-19, we took some extra-ordinary measures to overcome our challenges rather than waiting for things to change on their own. During FY19 we sold out one of our Commercial Mall projects in Delhi. This action though difficult for us, brought respite on present debt situation as well as the cash flows. The management of the Company plans to execute more of its projects through SPVs that will be dedicated to these projects. Thus, we will be able to unlock the execution capabilities and financial strengths at the flagship company i.e. Parsvnath Developers Ltd.

Besides these strong decisions, some of the Parsvnaths' core strengths are also helping the Company sustain the current times and its challenges. Our early focus on commercial segment is providing consistent support to our finances and operations. The Parsvnath 27 KG Marg is ready for possession. The second phase of Parsvnath Towers, Bhai Veer Singh Marg, Delhi is undergoing fast development and shall be ready for possession/ leasing-out soon. We are working hard and innovatively to gain momentum in our residential projects like La-Tropicana-Delhi and Exotica- Gurugram among many others, which are all located in premium locations. Another positive development has been achieving a definitive progress in the possibility of favorable decision in the dispute with Rail Land Development Authority. We believe that living by our strong fundamentals, we will be able to sustain the present difficult times and garner a better opportunity landscape tomorrow.

Parsvnath Exotica, Gurugram

Parsvnath Mall, Akshardam

Parsvnath Mall, Azadpur

About Parsvnath Developers Limited

Parsvnath Developers Limited is among the leading names in Indian Real Estate industry since last three decades. A name behind some of the industry leading initiatives, Parsvnaths has been India's first real estate developer to integrate ISO 9001, 14001 and OHSAS 18000. Parsvnaths has over the years built one of the most diversified real estate project portfolios. The development includes Group Housing, Integrated Townships, Commercial Properties, Retail Properties, Delhi Metro Rail Corporation, Retail Projects, Special Economic & IT Zones, Hospitality and Third Party Construction projects. The geographic presence of Parsvnaths, too, is wide spread across 13 states and 37 cities.

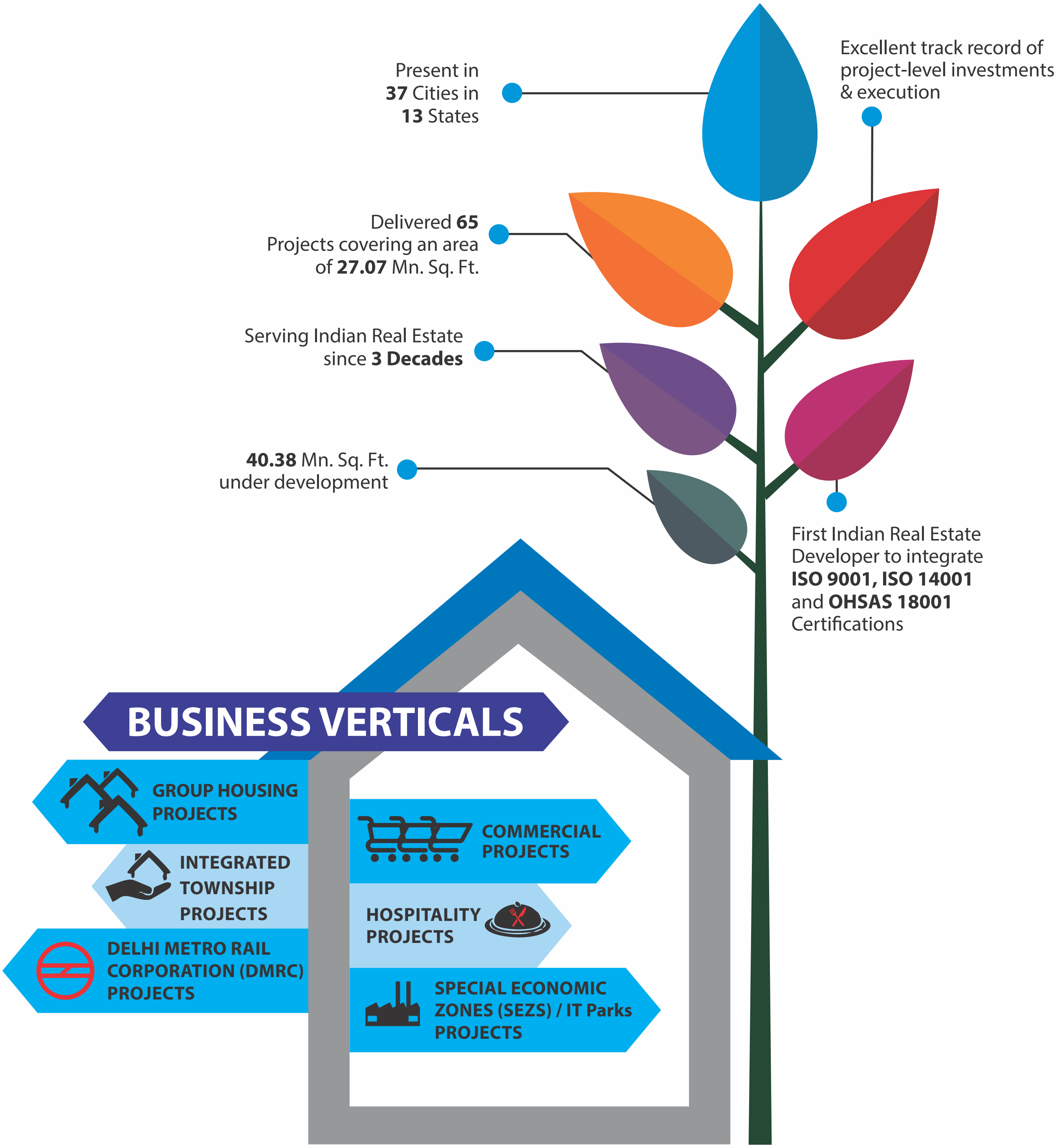
Vision

Our vision statement can be encapsulated in our corporate philosophy and motto of 'Building a better world'; to envision, design and construct the most magnificent landmarks and edifices; to contribute tangibly in regional and national development by way of key infrastructure projects, and to protect and preserve the environment we live in. At the end of the day, our vision is about making the world a better place to live in; to transform and uplift quality of living and lifestyles of each and every individual who comes in contact with us.

Mission

- Committed to build a better world
- To cater to the real needs of a growing population
- To set standards and improve our environment
- Offer a wide portfolio of international quality products that cater to different markets and segments
- To deliver value for money and excellent investment returns
- Take customer relationships and customer satisfaction to new levels
- To focus on strategic growth
- Evolve contemporary benchmarks in construction and marketing practices.

Key Facts & Numbers



From The Chairman's Desk

Dear Shareholders

The year 2018-19 started with a promise of all-around optimism as the first-quarter GDP growth of India breached the 8% mark. Similarly, after a long period we saw the return of customers to the residential segment which is the dominant segment of the real estate sector. Residential sale transactions went up on a YOY basis across many markets. The residential real estate segment saw this momentum accelerating and sale transactions grew at a faster pace in subsequent quarters; however, the broader economy started to slow down gradually due to multiple factors. The economic activity was badly affected in the next three quarters due to farm distress, energy prices and exchange rate volatility, NBFC default crisis impacting NBFCs and liquidity in the market, and impending general elections that affected government spending as well. Impact of the sluggish economy and liquidity crisis again hit the recovery in the residential sector in the last quarter. The commercial assets also posted healthy growth in absorption in the first three quarters of FY19 over FY18, but the demand was hit in the first quarter of CY 2019.

A major factor in the residential sector slump in Q4 FY19 was the deferment of purchases to avail benefit of lower GST rates from April 1, 2019. The lowering of GST rates has been one among the many initiatives of the Government for the real estate sector that have improved ease of doing business, promoted formalization, and encouraged demand and supply in designated segments with incentives. These measures are responsible to a great extent for the visible positive momentum in the sector in FY19. The sector, however, faces a huge impediment to growth concerning access to growth capital and liquidity. With the solvency crisis faced by many in the NBFC sector, the major source of debt capital for the real estate sector in the last few years, funds availability may become a tougher challenge for many players. Alternative capital sources such as Private Equity are available only to a small portion of projects from a select few players and are much costlier than debt. The companies in the sector with legacy issues and stressed balance sheets are facing this challenge the most. These issues are affecting the broader economy as well and most forecasts expect the real GDP growth to recover only marginally from 6.8% to 7% in FY20 with risks weighing on the negative side.

Company's Performance

In FY19, consolidated operating revenues of your Company increased close to five times the FY18 number to Rs. 911.06 crore compared to Rs. 193.67 crores in FY18. Net loss for the period was Rs. 367.38 crore, marginally higher than Rs. 323.94 crore losses in the previous year. The growth in fresh sales is only due to the transfer of one of our commercial mall projects in Delhi, which was undertaken to reduce debt. Also, the finance costs continued to remain high, hence it will take some more time to translate revenue growth into the bottom line.

In the reported year, the Company has been able to book sales of 0.79 million sq. ft. As the focus of the Company has been to deliver its incomplete projects, it delivered a total of 1.5 million sq. ft. of real estate spread over 820 units. With the commercial segment performing much better over the past few years in comparison with the residential projects, the Company had turned its attention more towards the development of marquee commercial projects. Major among the commercial projects that it has completed in FY19 is The Parsvnath 27, K G Marg.

Way Forward

The Company has been making strong efforts to improve the balance sheet quality in the last few years. It has focused on selling non-core assets, reducing costs, and sourcing capital to maintaining liquidity and generate growth. However, going forward, we will attempt to increasingly focus on speeding up the process of transferring assets and matching debt to Special Purpose Vehicles (SPVs) to strengthen the balance sheet of your company. This will make the task of taking more capital easier. On the operations side, the focus will be similar to the last few years i.e. complete existing residential projects and generate growth from Commercial segment. The Company will however be observant of the demand scenario in the residential segment, which is expected to pick-up and may exploit its land bank to launch new project/s if the situation is favorable. Its operational decisions will however be strongly influenced by its ability to generate liquidity and attract more capital in general or for specific projects.

Outlook

We expect the real estate sector to perform well going forward because of the continued incentives by the Government for the Affordable Housing segment and its focus on fulfilling the shortfall of housing stock in urban and rural areas under the 'Housing for All by 2022' mission. The reduced GST on all type of housing projects is likely to benefit the demand situation and help in recovery from the temporary blip in Q4 FY19. Reserve Bank of India has also consistently reduced interest rates and has a dovish bias on future monetary stance. This will help in increased off take by customers due to lower cost of loans and lower cost of capital for developers once there is an effective transmission of these rate cuts downstream. The public listing of the first REIT is a transformational moment for the sector, and we will likely see more such listings happen going forward. The Government will, however, have to work with the industry to resolve any inhibiting factors that may arise.

The demand scenario forecasted by the research companies is cautiously positive for the residential sector, the absorption levels in office segment are expected to taper off a bit, and demand for retail assets is likely to go up. This is a net positive and encouraging; however, the dark clouds on the horizon such as liquidity crunch, a sluggish economy, etc. may rain on the positive momentum in the sector. These are challenging times for the sector, and especially your company, but we are steadfast in our efforts to emerge from this prolonged crisis as a much stronger and healthier player in the sector.

In conclusion

On behalf of the Board, I would like to take this opportunity to express our gratitude to all our shareholders, financial institutions, bankers, investors, esteemed customers and associates for their constant trust and continued support. I would also like to thank all our employees, who have performed with great dedication and devotion for the organization to the best of their skills and capabilities. We hope to see continued support from you and wish you the best of the new financial year.

With warm regards,

Pradeep Jain
Founder Chairman

Projects Highlights

Commercial Projects Update

Parsvnath Capital Tower,
Bhai Veer Singh Marg

Parsvnath Capital Tower, Bhai Veer Singh Marg, New Delhi. (Phase I Delivered):

With 0.23 Mn. Sq. Ft. of leasable Area under phase 1, the project stands delivered. PDL has started developing the phase 2 of this project, which will have an additional 0.12 Mn. Sq. Ft. of leasable area

The Parsvnath 27, KG Marg

The Parsvnath 27, Kasturba Gandhi Marg, New Delhi (Under Development):

With 1.18 Acres under development, The Parsvnath 27 KG Marg is pegged to become India's most premium and prominent business place. The project is nearing completion.

Retail Projects Update

Parsvnath Mall, Seelampur

Delhi Metro Retail Projects:

Several projects in this segment have been completed by the Company. Presently, the Company is working on a model of executing the DMRC projects through SPVs

Parsvnath City Mall,
Faridabad

Parsvnath City Mall, Faridabad:

The project carries around 0.18 Mn. Sq. Ft. of leasable area.

During the year, in view of improving liquidity position and to set aside high finance cost, the Company completed the sale of one of its commercial mall projects in Delhi.

Residential Projects Update

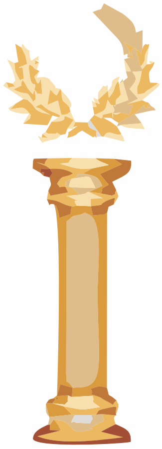
Parsvnath City, Lucknow

Parsvnath City, Indore

Parsvnath City, Dharuhera

During the year under review, in continuation of its strategic approach, the Company focused on completing existing projects. The Company handed over possession of 432 residential units covering 0.16 Mn. Sq. Ft. area during the year across various projects.

Awards & Recognitions



- **Best Upcoming Commercial Project of the Year 2018** awarded on April 28, 2018

  For **'The Parsvnath 27, KG Marg'** by 'Construction Times' Magazine

- **Best Upcoming Affordable Housing Project of the Year 2018** awarded on April 28, 2018

  For **'Parsvnath Akanksha Floor, Jodhpur'**

Operational Performance

FY19 was a year of testing times for Real Estate industry and also Parsvnath Developers. During the year the industry witnessed trickledown effects of recent years' policy changes and structural reforms like demonetization, GST (Goods & Services Tax) and RERA (Real Estate Regulation Act). At Parsvnaths, FY19 was a year of responding to difficult times with stronger measures. We took some strategic decisions to build momentum in our business cycle which was impacted by both external environment as well internal business challenges. The year was marked with looking back to our core fundamentals of foresighted vision, long-term business commitment, operational & financial prudence and focus on execution

During FY19, we continued on our strategy to focus on execution of existing projects and monetizing existing inventory. As at the end of June 2019, after the closure of FY19, we had 65 completed projects having 25,14,399 Sq. Mtr. (27.06 Mn. Sq. Ft.) of total area. This number includes our projects across verticals namely Residential, Commercial, Retail, DMRC and Third Party Contracts. As at the end of June 2019, there were 23 projects under various stages of development measuring 37,51,867 Sq. Mtr. (40.39 Mn. Sq. Ft.) saleable/leasable area upon completion. This number excludes DMRC (Retail) projects.

COMPLETED PROJECTS as on June 30, 2019:

SEGMENT	NO. OF PROJECTS	SALEABLE AREA SQ. MT.	(MN. SQ. FT.)
Group Housing Projects	20	8,71,274	9.38
Commercial Projects	15	70,789	0.76
Integrated Township Projects	13	13,10,240	14.10
DMRC (BOT) Projects	11	90,749	0.98
Contractual Projects	06	1,71,347	1.84
Total	**65**	**25,14,399**	**27.06**

ON-GOING PROJECTS as on June 30, 2019:

SEGMENT	NO. OF PROJECTS	SALEABLE AREA SQ. MT.	(MN. SQ. FT.)
Group Housing Projects	05	5,60,872	6.04
Commercial Projects/ IT Parks	05	94,305	1.02
Integrated Township Projects	13	30,96,690	33.33
Total	**23**	**37,51,867**	**40.39**

Operational Performance

Group Housing Projects

Parsvnath Planet, Lucknow

Over the 30 years of its Journey, Parsvnath Developers has given some of the industry's well known Group Housing Projects which provide community style living within multi-storey and high-rise residential towers surrounded by a host of modern amenities. Parsvnaths has been highly selective and had the advantage of having its projects located at prominent and prime locations. Some of our successfully delivered projects include Parsvnath Prestige-Noida, major part of Parsvnath Exotica-Gurugram, Parsvnath Planet, Lucknow, Parsvnath Pratibha, Moradabad, etc. At the end of FY19, our major projects under development were La-Tropicana-Delhi, Parsvnath Privilege-Greater Noida and Parsvnath Exotica- Gurugram (balance part).

Parsvnaths has a proud legacy of having delivered 20 Group Housing Projects as at end of June 2019 having total developed area of 8,71,274 Sq. Mtr. (9.38 Mn. Sq. Ft.). Over the last about a decade, Parsvnath Developers has been focusing on developing a strong commercial project portfolio along with the residential projects. In view of a larger success in commercial segment and the slowdown in residential segment, Parsvnaths is focusing on execution of existing residential projects and only selective expansion in residential. Hence, there have not been any new residential project launches in recent years.

Parsvnath Exotica, Gurugram

During FY19, Parsvnaths delivered 432 units, measuring 61,139.6 Sq. Mtr. (0.16 Mn. Sq. Ft.) for possession. During FY19, the Company booked new sales for Rs.1,368 lakhs for an area measuring 5,071.54 Sq. Mtr. or 0.05 Mn. Sq. Ft.

Commercial Projects

The Parsvnath 27, KG Marg

Parsvnath Capital Tower, Bhai Veer Singh Marg

Parsvnath Developers is a name to reckon with when it comes to develop and successfully deliver premium and prominent commercial projects. Parsvnaths has to its credit the first in decades commercial development in Connaught Place i.e. Parsvnath 27 at KG Marg. Parsvnath Tower at Bhai Veer Singh Marg was also the first commercial project after many years near the CBD of Connaught Place, New Delhi. Today Parsvnaths' commercial projects house some of the leading global brands as its occupants. These include Facebook, World Health Organization (WHO), Lo'real, Thomson Reuters, State Bank of India (SBI) and Regus among others.

In view of heightened economic activity and the present government's thrust on pushing the growth agenda, the commercial segment of Indian real estate has witnessed decent and consistent growth over recent years. Parsvnaths is rightly and prominently placed in this segment to take advantage of the rising opportunities.

By the end of June 2019, Parsvnaths had 15 completed commercial projects to its credit having an impressive 70,789 Sq. Mtr. (0.76 Mn. Sq. Ft.) of developed area. The geographies of these completed projects are spread across Delhi, Moradabad, Faridabad, Saharanpur, Gurgaon, Dehradun and Greater Noida. As on June 30, 2019, a total of 05 commercial projects, including IT Parks, were under various stages of development having total developable area of 94,305 Sq. Mtr. or 1.02 Mn. Sq. Ft.

Operational Performance

Delhi Metro Rail Corporation - Retail Projects

Parsvnath Developers has the distinction of successfully developing retail spaces at Delhi Metro Rail stations since year 2002. These projects are on Build-Own-Transfer (BOT) basis for up to 30 years of concession periods. Over the years, the main locations among these projects include Akshardham, Inderlok, Seelampur, Azadpur, etc.These projects offer retail and commercial spaces on lease and due to presence on Metro Stations, usually there is high footfall.

During the year, the Company further expanded the implementation of its strategy to develop these DMRC projects through Special Purpose Vehicle (SPV) companies. The Company already had two of the Delhi Metro Station projects operating through SPVs viz. Akshardham and Azadpur. During FY19, the Company created two more subsidiaries namely Jarul Promoters and Developers Pvt. Ltd. (Jarul), and Suksma Buildcon Pvt. Ltd. (Suksma) to develop Seelampur and Inderlok projects, respectively. The Company will further expand this strategy to develop more projects through SPVs.

Parsvnath Mall, Inderlok

Parsvnath Mall, Pratap Nagar

Parsvnath Mall, Akshardham

Integrated Townships

Over the years, Parsvnaths has developed 13 integrated township projects that offer a lifestyle of living in a self-sustaining large township having residences, commercial spaces, retail spaces, educational institutes, medical facilities and hospitality among others, within the project. The sizes of these projects are usually very large and entire project lifecycle are also significantly longer.

As on June 30, 2019 Parsvnaths had 13 completed Integrated Township projects having a total developed/developable area of 13,10,240 Sq. Mtr. or 14.10 Mn. Sq. Ft. The Company's Integrated Townships are situated in cities and towns of Indore, Karnal, Jaipur, Jodhpur, Lucknow, Panipat, Saharanpur, Sonepat, Ujjain, Rajpura, Rohtak, Dharuhera and Derabassi.

As at end of June 2019, the Company had another 30,96,690 Sq. Mtr. or 33.33 Mn. Sq. Ft. of area under various stages of development across 13 Integrated Township projects.

Parsvnath City, Lucknow

Parsvnath Narain City, Jaipur

Parsvnath Panchvati, Agra

Operational Performance

Hospitality Projects

The Indian economy has seen a thrust on increasing economic activity over the recent years with a major push from present government. In today's well connected global business which is spread across the world and where professionals meet each other and also other organizations across cities or states- leads to the demand of more places to stay for professionals on business trips, business meetings etc. In view of this growth opportunity in hospitality industry, Parsvnaths had ventured to develop a Hotel project at Shirdi, Maharashtra through it's wholly owned subsidiary Parsvnath Hotels Limited. The project is under development and has witnessed some delays due to paucity of funds. Once completed, there will be 3,265.26 Sq. Mtr. (35,147 Sq. Ft.) of hospitality space available to the city of Shirdi.

Special Economic Zones / IT Parks

Special Economic Zones or IT Parks offer tax & duty benefits and are often built on large spaces. The major sectors which usually benefit from these projects include Pharmaceutical, IT/ ITeS, Education and Export Oriented businesses. At present, Parsvnath Developers is in the process of developing an IT/Hi-Tech Park at Kochi, Kerala through its subsidiary, Parsvnath Infra Limited.

Third Party Contracts

Parsvnath Developers has in the past taken up Third Party Construction contract projects in view of its proven capabilities and reputation in developing projects. The major projects which the Company developed as third party contractor are Sai Ashram at Shri Saibabad Sansthan, Shirdi, Hostel Building for Footwear Design & Development Institute, Rai Bareilly and Station Complex of Dhaula Kuan Metro Station, Delhi.

At present, the Company has not undertaken any third party contracts.

Sai Ashram, Shirdi


FDDI, Rai Bareilly

Corporate Social Responsibility (CSR)

Being a responsible corporate citizen is at the core of corporate values of Parsvnath Developers. There is an innate urge to grow responsibly and progress inclusively as a corporate.

Parsvnath Developers had a clear vision for and focus on its corporate social responsibility since early years. On these lines, a not-for-profit organization, Parsvnath Foundation was set up, which works in the area of social development and community welfare. The sincerity of our CSR efforts can be seen from the fact that Founder Chairman, Shri Pradeep Jain is heading the Parsvnath Foundation and oversees the CSR activities at Parsvnaths.

In order to have a rather streamlined and effective discharge of corporate social responsibility, Parsvnaths has built formal CSR Policy and a framework to execute the CSR plans and programs. The CSR policy clearly defines vision, objective and execution structure. The CSR policy of the Company is also aligned with the CSR guidelines laid down under Schedule VII of the Companies Act, 2013.

The Company has formed a CSR Committee with members of the Board of Directors as its members. The Committee has five members from the Board of Directors and the Company Secretary, Shri V Mohan acts as the Secretary of the CSR Committee of the Board of Directors. At present the members of the CSR Committee include Shri Ashok Kumar (Chairperson of the Committee), Shri Pradeep Kumar Jain, Shri Sanjeev Kumar Jain, Ms. Deepa Gupta and Shri Mahendra Nath Verma.

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Shri Pradeep Kumar Jain
Founder Chairman

Shri Sanjeev Kumar Jain
Managing Director & CEO

Dr. Rajeev Jain
Director (Marketing)

Non-Executive Independent Directors

Shri Ashok Kumar
Dr. Pritam Singh
Ms. Deepa Gupta
Shri Mahendra Nath Verma

SR. VICE PRESIDENT (LEGAL) & COMPANY SECRETARY

Shri V. Mohan

AUDITORS

M/s S. N. Dhawan & Co. LLP
Chartered Accountants,
421, II Floor,
Udyog Vihar, Phase IV
Gurgaon - 122016

REGISTRAR & SHARE TRANSFER AGENT

M/s Link Intime India Pvt. Ltd.
Noble Heights, 1st Floor,
Plot No. NH 2, LSC, C-1 Block,
Near Savitri Market,
Janakpuri, New Delhi - 110 058

SHARES LISTED AT

National Stock Exchange of India Limited (NSE)
BSE Limited (BSE)

REGISTERED AND CORPORATE OFFICE

Parsvnath Tower,
Near Shahdara Metro Station,
Shahdara, Delhi - 110 032.
CIN: L45201DL1990PLC040945
Phone No: 011-43010500, 011-43050100
Fax No: 011-43050473
E-mail: investors@parsvnath.com
Website: www.parsvnath.com

BANKS & FINANCIAL INSTITUTIONS

Axis Bank Ltd.	IndusInd Bank Ltd.	Punjab National Bank
Bank of India	Karnataka Bank Ltd.	State Bank of India
Canara Bank	Kotak Mahindra Bank Ltd.	Syndicate Bank
HDFC Bank Ltd.	Life Insurance Corporation of India	UCO Bank
IDBI Bank Ltd.	Oriental Bank of Commerce	

BOARD'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 28th Annual Report, together with the Audited Financial Statements of the Company for the financial year ended March 31, 2019.

1. FINANCIAL RESULTS

(₹ in Lakhs)

Item	STANDALONE		CONSOLIDATED	
	FY 2018-19	FY 2017-18	FY 2018-19	FY 2017-18
Total Revenue	83,357.30	16,040.39	92,544.40	21,008.12
Profit/ (loss) before depreciation and tax	**(26,154.72)**	**(13,016.55)**	**(37,275.79)**	**(32,929.09)**
Less: Depreciation	943.83	1,079.23	2,890.12	3,023.64
Profit/ (loss) before tax	**(27,098.55)**	**(14,095.78)**	**(40,165.91)**	**(35,952.73)**
Less: Provision for taxation	(2,818.75)	(2,360.93)	(3,426.37)	(3,557.05)
Profit/ (loss) after tax	**(24,279.80)**	**(11,734.85)**	**(36,739.54)**	**(32,395.68)**
Share of Profit/(loss) in Associates	-	-	1.86	1.93
Profit/ (loss) for the year	**(24,279.80)**	**(11,734.85)**	**(36,737.68)**	**(32,393.75)**
Other comprehensive income	(26.85)	(36.37)	(26.85)	(36.37)
Total comprehensive income for the year	**(24,306.65)**	**(11,771.22)**	**(36,764.53)**	**(32,430.12)**
Net profit/(loss) attributable to:				
a) Owners of the holding company	(24,306.65)	(11,771.22)	(36,359.92)	(31,742.88)
b) Non-controlling interest	-	-	(404.61)	(687.24)
Balance brought forward (including other comprehensive income)	**64,174.56**	**76,170.78**	**23,026.44**	**54,994.32**
Less: Adjustments due to adoption of Ind AS-115 through modified retrospective approach	63,129.22	-	85,936.42	-
Add: Profit/(loss) for the year attributable to shareholders of the Company	(24,306.65)	(11,771.22)	(36,359.92)	(31,742.88)
Add: Transferred from Debenture Redemption Reserve	6,785.30	-	6,785.30	-
Less: Transferred to Debenture Redemption Reserve	-	225.00	-	225.00
Closing balance (including other comprehensive income)	**16,476.01**	**64,174.56**	**92,484.60**	**23,026.44**

2. DIVIDEND

In view of loss incurred during the financial year ended March 31, 2019 coupled with constrained liquidity position of the Company, your Directors have considered it appropriate not to recommend any dividend. The Company has not transferred any amount to General Reserve during the Financial Year 2018-19.

3. REVIEW OF OPERATIONS

During the year under review, on consolidated basis, the Company has earned total revenue of ₹ 92,544.40 Lakhs as against ₹ 21,008.12 Lakhs in 2017-2018 and incurred a net loss of ₹ 36,737.68 Lakhs as against a net loss of ₹ 32,393.75 Lakhs in 2017-2018. Earnings per Share (EPS) of the Company stood at ₹ (5.58) on stand-alone basis and ₹ (8.36) on consolidated basis in 2018-2019.

A detailed business-wise review of the operations of the Company is included in the Management Discussion and Analysis section of this Annual Report.

4. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report, forming part of the Board's Report for the year under review, as stipulated under Regulation 34 (2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

("Listing Regulations"), is discussed in a separate section of this Annual Report.

5. SUBSIDIARIES, JOINT VENTURE ENTITIES AND ASSOCIATE COMPANIES

At the beginning of the year, your Company had 18 (Eighteen) subsidiary companies. The project-specific or sector-specific subsidiary companies ensure maximum utilization of available resources through focused attention on specific activities.

During the year under review:

- Parsvnath Rail Land Project Private Limited ("PRLPPL") has become a subsidiary of the Company in terms of Section 2(87) of the Companies Act, 2013 ("Act"), pursuant to MCA notification dated May 7, 2018. Accordingly, it has ceased to be an Associate Company of the Company with effect from May 7, 2018.

- Jarul Promoters & Developers Private Limited ("JPDPL") has become a wholly owned subsidiary of the Company, consequent upon the acquisition of 1,00,000 equity shares, with effect from March 16, 2019.

- Suksma Buildtech Private Limited ("SBPL") has become a wholly owned subsidiary of the Company, consequent upon the acquisition of 10,000 equity shares, with effect from March 16, 2019

Also, the Company had, pursuant to the Securities Purchase Agreement dated June 21, 2018, acquired further 4,90,000 Class A Shares and 1,00,000 Class B Shares from Anuradha SA Investments LLC, Mauritius (Investor 1) and 87,51,000 Series A Fully Convertible Debentures from Anuradha Ventures Limited, Cyprus (Investor 2), of Parsvnath Buildwell Private Limited ("PBPL"), a subsidiary company and SPV for implementing a premium residential project viz."Parsvnath Exotica" in Ghaziabad (UP).

Subsequent to the year end, Parsvnath Telecom Private Limited ("PTPL") has ceased to be a Subsidiary of the Company due to transfer of entire shareholding by the Company on June 29, 2019.

As at March 31, 2019, there was no 'material subsidiary' as defined under Regulation 16(1)(c) of the Listing Regulations. Parsvnath Estate Developers Private Limited has ceased to be a material subsidiary Company as on March 31, 2019, as per the provisions of the Listing Regulations.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing brief financial details of the Company's subsidiaries, associate companies and joint ventures for the financial year ended March 31, 2019 in Form AOC-1 is attached to the financial statements of the Company. The details as required under Rule 8 of the Companies (Accounts) Rules, 2014 regarding the performance and financial position of each of the subsidiaries and associate companies forms part of the Consolidated Financial Statements of the Company for the financial year ended March 31, 2019.

Pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, including consolidated financial statements alongwith relevant documents and separate audited accounts in respect of its subsidiary companies are available on the website of the Company. The annual accounts of these subsidiaries and the related detailed information will be made available to any Shareholder of the Company/its subsidiaries seeking such information at any point of time and will also be kept open for inspection by any Shareholder of the Company/ its subsidiaries at the registered office of the Company and that of the respective companies between 11.00 a.m. and 1.00 p.m. on all working days. The Company shall furnish a copy of detailed annual accounts of such subsidiaries to any Shareholder on demand.

6. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of the Act and implementation requirements of Indian Accounting Standards (`Ind-AS') Rules on accounting and disclosure requirements and Regulation 33 of the Listing Regulations, the Audited Consolidated Financial Statements are provided in this Annual Report.

7. DEBENTURES

During the year under review:

i) The Company had issued Series XVI (Issue-VI) 19% Secured Redeemable Non-Convertible Debentures (NCDs) amounting to ₹ 225 lakhs.

ii) The details of redemption of NCDs of the Company are mentioned below:

Sl. No.	Type of NCDs	Part/Full Redemption	Redemption Amount (in ₹ Lakhs)
1.	Series XIV	Part	26,625
2.	Series XV	Full	616
Total			**27,241**

Subsequent to the year end, the Company had issued Series XVI (Issue-VII) 19% NCDs amounting to ₹ 100.02 Lakhs (Approx.) on April 3, 2019.

8. FIXED DEPOSITS

During the year under review, the Company has not accepted fixed deposits from the public.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, there has been no change in the composition of the Board of Directors.

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act alongwith Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and confirmation that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, apart from receiving Directors' remuneration.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2019 are Mr. Pradeep Kumar Jain, Chairman, Mr. Sanjeev Kumar Jain, Managing Director and Chief Executive Officer, Dr. Rajeev Jain, Director (Marketing), Mr. V. Mohan, Sr. Vice President (Legal) & Company Secretary and Mr. M.C. Jain, Sr. Vice President (Corporate) & Group Chief Financial Officer.

Re-appointment of Directors

The Board of Directors, at its Meeting held on February 14, 2019, has re-appointed Mr. Pradeep Kumar Jain, Mr. Sanjeev Kumar Jain and Dr. Rajeev Jain as Whole-time Directors w.e.f. April 1, 2019 to March 31, 2022, subject to the approval of Members of the Company at the ensuing Annual General Meeting (AGM).

At the 23rd AGM of the Company held on September 23, 2014, the Members had, *inter alia,* appointed Mr. Ashok Kumar and Dr. Pritam Singh as Independent Directors for a period of 5 years commencing from September 23, 2014 to September 22, 2019 and at the 24th AGM held on September 30, 2015, the Members had appointed Ms. Deepa Gupta and Mr. Mahendra Nath Verma as Independent Directors for a period of 5 years commencing from March 30, 2015 to March 29, 2020 and May 25, 2015 to May 24, 2020 respectively.

Accordingly, the Board, on the recommendation of the Nomination and Remuneration Committee, has recommended for the approval of the Members (a) re-appointment of Mr. Pradeep Kumar Jain, Mr. Sanjeev Kumar Jain and Dr. Rajeev Jain as Whole-time Directors w.e.f. April 1, 2019 to March 31, 2022 and (b) re-appointment of Mr. Ashok Kumar, Dr. Pritam Singh, Ms. Deepa Gupta and Mr. Mahendra Nath Verma, as Independent Directors of the Company for a period of 5 years, not liable to retire by rotation and continuation thereof in terms of Regulation 17(1A) of the Listing Regulations.

Requisite Notice under Section 160 of the Act has been received from a Member of the Company proposing the candidature of the aforesaid Independent Directors, who have filed their consents to act as Independent Directors of the Company, if appointed.

In accordance with the provisions of Section 152 of the Act read with the Articles of Association of the Company, Dr. Rajeev Jain will retire by rotation at the ensuing AGM and being eligible, offer himself for re-appointment.

None of the aforesaid Directors is debarred from holding the office of director by virtue of any SEBI order or any other authority

The Notice convening the ensuing 28th AGM includes the proposal for re-appointment of the aforesaid Directors, as stated above. Further, as required under the Listing Regulations and Secretarial Standard on General Meetings, their brief profile / justification is furnished in the explanatory statement to the Notice convening the ensuing AGM.

10. BOARD COMMITTEES

Audit Committee

The Audit Committee comprises Mr. Mahendra Nath Verma (Chairperson), Mr. Sanjeev Kumar Jain, Mr. Ashok Kumar, Dr. Pritam Singh and Ms. Deepa Gupta. All members, except Mr. Sanjeev Kumar Jain, are Non-Executive Independent Directors of the Company. Mr. V. Mohan, Sr. Vice President (Legal) & Company Secretary acts as the Secretary to the Committee.

Corporate Social Responsibility Committee

The Committee comprises five directors including two Executive Directors viz. Mr. Pradeep Kumar Jain and Mr. Sanjeev Kumar Jain and three Non-Executive Independent Directors viz. Mr. Ashok Kumar, who is also the Chairperson of the Committee, Ms. Deepa Gupta and Mr. Mahendra Nath Verma. Mr. V. Mohan, Sr. Vice President (Legal) & Company Secretary acts as the Secretary to the Committee.

Nomination and Remuneration Committee

The Committee comprises Dr. Pritam Singh (Chairperson), Mr. Ashok Kumar, Mr. Mahendra Nath Verma and Ms. Deepa Gupta, all being Non-Executive Independent Directors. Mr. V. Mohan, Sr. Vice President (Legal) & Company Secretary acts as the Secretary to the Committee.

Stakeholders Relationship Committee

The Committee comprises Mr. Ashok Kumar, Non-Executive Independent Director (Chairperson), Mr. Sanjeev Kumar Jain and Dr. Rajeev Jain. Mr. V. Mohan, Sr. Vice President (Legal) & Company Secretary acts as the Secretary to the Committee and is the Compliance Officer.

Risk Management Committee

As per Regulation 21 of the Listing Regulations, the Company is not required to constitute Risk Management Committee. However, in view of the Company's policy to adhere to high standards of corporate governance practices, the Board of Directors of the Company at its Meeting held on November 14, 2018 has voluntarily constituted the Risk Management Committee, which comprises Ms. Deepa Gupta(Chairperson), Mr. Pradeep Kumar Jain, Dr. Pritam Singh and Mr. Mahendra Nath Verma, all being Non-Executive Independent Directors except Mr. Pradeep Kumar Jain. Mr. V. Mohan, Sr. Vice President (Legal) & Company Secretary acts as the Secretary to the Committee.

Shares Committee

The Committee comprises three members viz. Mr. Pradeep Kumar Jain (Chairperson), Mr. Sanjeev Kumar Jain and Dr. Rajeev Jain, all being Executive Directors. Mr. V. Mohan, Sr. Vice President (Legal) & Company Secretary acts as the Secretary to the Committee.

A detailed note on the Committees of the Board of Directors is given in the Corporate Governance Report which forms part of this Report.

11. NUMBER OF MEETINGS OF THE BOARD

7 (Seven) meetings of the Board of Directors were held during the year under review. For details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this Report.

12. COMPLIANCE WITH THE SECRETARIAL STANDARDS ISSUED BY ICSI

The Board confirms that, during the period under review, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI), as amended from time to time.

13. BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and Listing Regulations. In keeping with the Company's belief that it is the collective effectiveness of the Board that impacts Company's performance, the primary evaluation platform is that of collective performance of the Board as a whole. Board performance is assessed against the role and responsibilities of the Board as provided in the Act and the Listing Regulations. The parameters for Board performance evaluation have been derived from the Board's core role of trusteeship to protect and enhance shareholder value as well as to fulfill expectations of other stakeholders through strategic supervision of the Company. The performance of the board was also evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated, after taking into consideration the performance of the Directors and fulfilment of the independence criteria and their independence from the management

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017 and as per the requirements of Listing Regulations.

In a separate meeting of independent directors, performance of non-independent directors, the board as a whole and the Chairperson of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the board, its committees and individual directors was also discussed.

14. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Nomination and Remuneration Policy recommended by the Nomination and Remuneration Committee duly approved by the Board of Directors of the Company is available on the Company's website at link: http://www.parsvnath.com/investors/iulr/nomination-and-remuneration-policy/. The salient features of the aforesaid Policy have been outlined in the Corporate Governance Report which forms part of this Report.

The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are posted on the website of the Company at the link: http://www.parsvnath.com/investors/iulr/familiarization-programs-for-independent-directors/.

15. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, state that:

a) in the preparation of the annual accounts for the financial year ended March 31, 2019, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and the loss of the Company for the financial year ended on that date;

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

d) the Directors have prepared the annual accounts on a 'going concern' basis;

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; and

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.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and the reviews of the management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2018-19.

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

16. CORPORATE SOCIAL RESPONSIBILITY

The Annual Report on Corporate Social Responsibility (CSR) under Section 135 of the Act is annexed as **Annexure I** to this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company's CSR policy is available on the Company's website at link: http://www.parsvnath.com/investors/iulr/corporate-social-responsibility-policy/.

17. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. Also, the Company has obtained prior omnibus approval for related party transactions occurred during the year for transactions which are of repetitive nature and / or entered in the ordinary course of business at arm's Length.

During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material under Section 188 of the Act.

In view of the above, the requirement of giving particulars of contracts / arrangements made with related parties, in Form AOC-2 is not applicable for the year under review.

The related party transactions undertaken during the financial year 2018–19 are detailed in the Notes to Accounts of the Financial Statements.

The Policy for determination of materiality of related party transactions and dealing with related party transactions, as approved by the Board, may be accessed on the Company's website at the link: http://www.parsvnath.com/investors/iulr/related-party-transaction-policy/.

18. INTERNAL FINANCIAL CONTROLS AND INTERNAL AUDIT

The Company has in place adequate internal financial controls with reference to the Financial Statements. The Audit Committee periodically reviews the internal control systems with the management, Internal Auditors and Statutory Auditors and the adequacy of internal audit function, significant internal audit findings and follow-ups thereon.

19. AUDIT COMMITTEE RECOMMENDATIONS

During the year under review, the suggestions put forth by the Audit Committee were duly considered and accepted by the Board of Directors. There were no instances of non-acceptance of such recommendations.

20. AUDITORS

(a) Statutory Auditors

M/s S.N. Dhawan & Co. LLP, Chartered Accountants (Firm Registration No. 000050N/ N500045) had been appointed as Statutory Auditors of the Company from the conclusion of 25th AGM for a term of five consecutive years till the conclusion of 30th AGM, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM.

Statutory Auditors' Report

- The Auditors in their Report on the financial statements of the Company for the financial year ended March 31, 2019 have drawn attention to the following matters in the notes to the Ind AS financial statements:

  "(i) Note 45, which indicates that the Company has incurred cash loss during the current and previous years and there have been delays/ defaults in payment of principal and interest on borrowings, statutory liabilities, salaries to employees and other dues by the Company. The management of the Company is of the opinion that no adverse impact is anticipated on future operations of the Company.

  (ii) Note 11, which explains management position regarding utilization of Deferred Tax Assets and Minimum Alternate Tax Credit aggregating to ₹ 14,392.45 lacs as at 31 March, 2019. Based on the management assumptions, future business plans and planned sale off some identified assets, management is certain about realization of these assets in coming years.

Our opinion is not modified in respect of these matters."

- The response of the Directors in respect of the aforesaid matters is given below:

  (i) Note 45 of the Stand-alone financial statements: The Company has incurred cash losses during the current and previous years. Due to continued recession in the real estate sector owing to slow down in demand, the Company is facing tight liquidity situation as a result of which there have been delays/ defaults in payment of principal and interest on borrowings, statutory liabilities, salaries to employees and other dues. Also, the Company continues to face lack of adequate sources of finance to fund execution and completion of its ongoing projects resulting in delayed realisation from its customers and lower availability of funds to discharge its liabilities. The Company is continuously exploring alternate sources of finance, including sale of non-core assets to generate adequate cash inflows for meeting these obligations and to overcome this liquidity crunch. In the opinion of the Management, no adverse impact is anticipated on future operations of the Company.

  (ii) Based on the management assumptions, future business plans and planned sale off some identified assets, management is certain about realization of these assets in coming years

- There were no instances of frauds reported by the Statutory Auditors under Section 143(12) of the Act.

(b) Secretarial Auditors and Secretarial Audit Report

The Board of Directors of the Company, at its Meeting held on February 14, 2019, has approved the appointment of Mr. Krishnan Sitaraman (Membership No. F2087 and COP No. 21348), Practising Company Secretary, in place of M/s. Chandrasekaran Associates, Company Secretaries, to conduct the Secretarial Audit of the Company for the Financial Year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith as **Annexure II** to this Report. The Secretarial Auditors in their report have made an observation and the response of your Directors is as given above in Point No. 20(a).

(c) Internal Auditors

The Board of Directors of the Company, at its Meeting held on February 14, 2019, has approved the appointment of M/s Adesh Jain & Associates, Chartered Accountants (Firm Registration No. 010336N), as Internal Auditors in place of M/s P. Jain & Company, Chartered Accountants (Firm Registration No. 000711C), for the financial year 2018-19, pursuant to the provisions of Section 138 of the Act.

(d) Cost Auditors

The Company is required to maintain the cost records as specified by Central Government under Section 148(1) of the Act and accordingly, such accounts and records are made and maintained. The Board of Directors of the Company has re-appointed M/s Chandra Wadhwa & Company, Cost Accountants (Firm Registration No. 000239) as Cost Auditors for conducting the audit of cost records of the Company, for the financial year 2019-20.

21. CORPORATE GOVERNANCE

A separate section on Corporate Governance, forming part of the Board's Report and the Certificate from Mr. Krishnan Sitaraman (Membership No. F2087 and COP No. 21348), Practising Company Secretary confirming compliance with the Corporate Governance norms, as prescribed under Regulation 34 of the Listing Regulations are included in the Annual Report.

Code of Conduct

The Board of Directors has laid down a Code of Conduct for Board Members and Senior Management. The said Code has been posted on the Company's website i.e. www.parsvnath.com. As prescribed under Listing Regulations, a declaration signed by the Managing Director & CEO affirming compliance with the aforesaid Code of Conduct by the Directors and Senior Management of the Company for the financial year 2018-19 is annexed and forms part of the Corporate Governance Report.

22. LISTING WITH STOCK EXCHANGES

During the year under review, the equity shares of the Company continue to remain listed with the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The listing fee for the financial year 2019-20 has been paid by the Company to both NSE and BSE.

23. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, the Company was not required to transfer any amount to Investor Education and Protection Fund (IEPF) established by the Central Government.

24. DISCLOSURES

1. Conservation of energy, technology absorption, foreign exchange earnings and outgo

The nature of operations of the Company does not require disclosure of particulars relating to conservation of energy and technology absorption, as prescribed under Section 134(3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014. During the year under review, the Company has nil foreign exchange earnings and has incurred expenditure of ₹ 50.77 Lakhs, as compared to ₹ 130.25 Lakhs in the previous year.

2. Particulars of Employees

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below:

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2018-2019:

Name of the Director	Ratio to median remuneration
Executive Directors	
Mr. Pradeep Kumar Jain	N.A.
Mr. Sanjeev Kumar Jain	N.A.
Dr. Rajeev Jain	N.A.
Non-Executive Directors	
Mr. Ashok Kumar	1.37
Dr. Pritam Singh	0.89
Ms. Deepa Gupta	1.42
Mr. Mahendra Nath Verma	1.14

b. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year: Nil

c. The percentage increase in the median remuneration of employees in the financial year: (0.53)%

d. The number of permanent employees on the rolls of Company as on March 31, 2019: 326

e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Not applicable as there is no remuneration paid by the Company to its Whole-time Directors, including Managing Director, during financial year 2018-19.

f. Affirmation that the remuneration is as per the remuneration policy of the Company: The Company affirms that remuneration is as per the remuneration policy of the Company.

g. As per Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details of employees drawing a remuneration of more than ₹ 102 lakhs per annum, if employed throughout the financial year and ₹ 8.5 lakhs per month, if employed for part of the financial year need to be set out as annexure to this Report. Since none of the employees comes under the purview of this Section, the said provisions are not applicable.

However, the list of top ten employees of the Company (based on remuneration drawn) is annexed herewith as **Annexure III.**

3. Particulars of loans, guarantees or investments under Section 186 of the Act

As your Company is engaged in the business of real estate development included in the term 'Infrastructural projects/facilities' under Schedule VI to the Act, the provisions of Section 186 of the Act related to loans made, guarantees given or securities provided are not applicable to the Company. However, the details of the same are provided in the financial statements.

4. **Extract of Annual Return**

Extract of Annual Return in the Form MGT-9, as required under Section 92(3) of the Act, is annexed herewith as **Annexure IV** to this Report. The extract of Annual Return may be accessed on the Company's website at the link: http://www.parsvnath.com/investors/iulr/extract-of-annual-return-form-mgt-9/.

25. RISK MANAGEMENT

Your Company has in place a Risk Management Policy to assist the Board in overseeing that all the risks that the Company faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks.

Risk management is embedded in Company's operating framework. The Company believes that risk resilience is the key to achieving higher growth. To this effect, there is a process in place to identify key risks across the Group and prioritise relevant action plans to mitigate these risks.

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organisational structure, processes, standards, code of conduct etc. governs how the Company conducts its business and manages associated risks.

During the year under review, the Company has constituted 'Risk Management Committee' to focus on the risk management including determination of company's risk appetite, risk tolerance and regular risk assessments (risk identification, risk quantification and risk evaluation) etc.

Risk Management framework is reviewed periodically by the Board which includes discussing the management submissions on risks, prioritising key risks and approving action plans to mitigate such risks.

26. VIGIL MECHANISM

The Company has in place a Vigil Mechanism, which also incorporates a Whistle Blower Policy for Directors and employees to report genuine concerns in the prescribed manner, in terms of the Listing Regulations. The Vigil Mechanism is overseen by the Audit Committee and provides adequate safeguards against victimization of employees and Directors. Whistle Blower Policy is a mechanism to address any complaint(s) related to fraudulent transactions or reporting intentional non-compliance with the Company's policies and procedures and any other questionable accounting/operational process followed. It provides a mechanism for employees to approach the Chairman of the Audit Committee or Mr. V. Mohan, Sr. Vice President (Legal) & Company Secretary designated as 'Whistle and Ethics Officer' under the aforesaid mechanism. During the year, no such incidents were reported and no personnel were denied access to the Chairman of the Audit Committee. The Vigil Mechanism/ Whistle Blower Policy may be accessed on the Company's website at the link: http://www.parsvnath.com/investors/information/vigil-mechanism-whistle-blower-policy/.

27. INTERNAL COMPLAINTS COMMITTEE

The Company has an Internal Complaints Committee ("ICC") as required under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company is strongly opposed to sexual harassment and employees are made aware about the consequences of such acts and about the constitution of ICC. During the year under review, there were no cases filed/ reported pursuant to the aforesaid Act.

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. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of the subsidiary companies of the Company.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
6. No material changes and/or commitments affecting the financial position of your Company have occurred between the end of the financial year and the date of signing of this Report.

Securities and Exchange Board of India ("SEBI") had issued directions to the Stock Exchanges vide letter No. SEBI/HO/ISD/ISD/OW/P/2017/18183 dated August 7, 2017 whereby the Company's name was included amongst the list of suspected "Shell Companies", as a result of which, the equity shares of the Company were shifted to GSM VI on the Stock Exchanges. The Company had filed an appeal against the aforesaid directions of SEBI with Hon'ble Securities Appellate Tribunal ("SAT") on August 9, 2017. Hon'ble SAT has passed an order dated August 11, 2017 staying the aforesaid directions of SEBI in respect of trading restriction on the Shares of the Company and accordingly, the equity shares of the Company were restored to the normal trading segment of the Stock Exchanges with effect from August 14, 2017. After the Hon'ble SAT's order, in pursuance to the directions of SEBI, BSE and NSE sought various information and/or clarifications in respect of the Company which were provided. An opportunity of personal hearing was also given by SEBI and NSE, which was attended by the representatives of the Company and necessary information / clarifications were provided.

SEBI vide its Interim Order dated August 8, 2018 has directed the Stock Exchange to, inter-alia, appoint an independent forensic auditor to further verify: (a) alleged misrepresentation of financials and/or business by Company, if any, in the context of certain past transactions of sub- contracts during the financial years 2009-10, 2010-11 and 2011-12 and (b) alleged misuse of the books of accounts/ funds, if any, in the context of said transactions, including the role of KMPs, Directors and Promoters in those transactions. The Company was given an opportunity to file its reply/ objections to the aforesaid Interim Order and also a personal hearing with the SEBI in this matter.

The Company filed its reply / objections against the Interim Order and had also requested for personal hearing in the same.

Thereafter, pursuant to the personal hearing, SEBI passed a final order dated January 4, 2019 confirming the interim order whereby directions were issued to the Stock Exchanges for conducting forensic audit of the books of accounts of the Company in connection with certain specific transactions during the Financial Years 2009-10, 2010-11 and 2011-12.

NSE has appointed Ernst & Young (E&Y) to conduct the forensic audit and the Company has been furnishing the requisite documents to E&Y against the list of documents required by them, from time to time.

ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere gratitude to the shareholders, customers, bankers, financial institutions, investors, vendors and all other business associates for the continuous support provided by them to the Company and for the confidence reposed in the management of the Company.

The Directors also wish to acknowledge the contribution made by employees at all levels for steering the growth of the organisation. Your Directors also thank the Government of India, the State Governments and other Government Agencies for their assistance and co-operation and look forward to their continued support in future.

On behalf of the Board of Directors

Sd/-
Pradeep Kumar Jain
Chairman
DIN 00333486

Place: Delhi
Date: August 13, 2019

CAUTIONARY STATEMENT

Certain statements in the Board's Report describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include labour and material availability, and prices, cyclical demand and pricing in the Company's principal markets, changes in government regulations, tax regimes, economic development within India and other incidental factors.

Annexure I

ANNUAL REPORT ON CSR ACTIVITIES

1. **A brief outline of the Company's CSR policy:**

   The Company is a responsible corporate citizen and is conscientiously working towards fulfilling its Corporate Social Responsibility (CSR). A separate section on CSR forms part of the Annual Report. The Company's CSR Policy lays out the vision, objectives and implementation mechanisms. The projects undertaken will be within the broad framework of Schedule VII to the Companies Act, 2013 read with the Rules made thereunder.

2. **The composition of the CSR committee:**

   The Company has constituted the CSR Committee which comprises five directors including two Executive Directors viz. Mr. Pradeep Kumar Jain and Mr. Sanjeev Kumar Jain and three Non-Executive Independent Directors viz. Mr. Ashok Kumar, who is also the Chairperson of the Committee, Mr.Mahendra Nath Verma and Ms. Deepa Gupta. Mr. V. Mohan, Sr. Vice President (Legal) & Company Secretary acts as the Secretary to the Committee.

3. **Average net profit/ (loss) of the Company for last three financial years for the purpose of computation of CSR:** ₹ (6,442.97) Lakhs**.**

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):** Not Applicable

5. **Details of CSR Expenditure spent during the financial year:** Not Applicable

6. **In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.**

   As the average net profit for the last three years was negative, the Company was not required to spend any amount on CSR activities in the Financial Year 2018-19. However, suitable eligible project(s) shall be identified to make expenditure towards Corporate Social Responsibility, as and when the need arises.

7. **A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.**

   We hereby declare that implementation and monitoring of the CSR project, as and when done, shall be in compliance with CSR objectives and policy of the Company.

Sd/-
Sanjeev Kumar Jain
Managing Director & CEO
DIN: 00333881

Sd/-
Ashok Kumar
Chairman, Corporate Social Responsibility Committee
DIN: 00138677

Delhi
August 13, 2019

Annexure II

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
PARSVNATH DEVELOPERS LIMITED
(CIN: L45201DL1990PLC040945)
Parsvnath Tower, Near Shahdara Metro Station,
Shahdara, Delhi – 110 032

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Parsvnath Developers Limited** (hereinafter called **"the Company")**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines, to the extent applicable, prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;

(vi) Employees' Provident Funds and Miscellaneous Provisions Act, 1952;

(vii) Employee State Insurance Act, 1948;

(viii) Goods and Services Tax Act, 2017;

(ix) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following observation:

"The Company has incurred cash loss during the current and previous years and there have been certain delays/ defaults in payment of principal and interest on borrowings, statutory liabilities and payment of other dues by the Company."

I further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance (except in cases where meetings were convened at a shorter notice for which necessary approvals were obtained as per applicable provisions) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously, as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

I further report that during the audit period the following specific events / actions took place having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

(i) The Company has made allotment of Non-Convertible Debentures (NCDs) as per the details mentioned below:

Sl. No.	Type of NCDs	Amount (in Rs.)
1.	Series XVI – Issue VI	2,25,00,000
	Total	**2,25,00,000**

(ii) The Non-Convertible Debentures (NCDs) of the Company were partly/fully redeemed as per the details mentioned below:

Sl. No.	Type of NCDs	Redeemed Fully/Partly	Redemption Amount (in Rs.)
1.	Series XIV	Partly	2,66,25,00,000
2.	Series XV	Fully	6,16,00,000
Total			**2,72,41,00,000**

Sd/-
Krishnan Sitaraman
Practicing Company Secretary
M. No.: F2087
C.P. No. 21348

Date: 24th June 2019
Place: New Delhi

Note: *This report is to be read with our letter of even date which is annexed as 'ANNEXURE-A' and forms an integral part of this report.*

Annexure A

To,
The Members,
PARSVNATH DEVELOPERS LIMITED
(CIN: L45201DL1990PLC040945)
Parsvnath Tower, Near Shahdara Metro Station,
Shahdara, Delhi - 110032

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

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

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.

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

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

Sd/-
Krishnan Sitaraman
Practicing Company Secretary
M. No.: F2087
C.P. No. 21348

Date: 24th June 2019
Place: New Delhi

Annexure III

PARTICULARS OF TOP TEN EMPLOYEES (IN TERMS OF REMUNERATION DRAWN DURING FINANCIAL YEAR 2018-19), PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013

S. No.	Name	Designation / Nature of duties	Qualifications	Remuneration (₹)	Experience (Years)	Date of Joining	Age (Years)	Last Employment Held	Number & % of shares held in the Company as at March 31, 2019	
									Number	% (upto 2 decimal places)
1	Mukesh Chand Jain	Sr. Vice President (Corporate) & Group CFO	CA, LLB	4,956,052	36	1-Dec-03	60	Lok Housing & Construction Limited	0	0.00
2	V. Mohan	Sr. Vice President (Legal) & Company Secretary	LLB, FCS, MBA	4,297,284	40	3-May-03	62	Laxmi Sugar Mills Limited	1,252	0.00
3	Sunit Sachar	Sr. Vice President (Marketing & Publicity)	PhD, MBA, PGD	4,239,089	38	17-Apr-09	65	Sarvapriya Developers Private Limited	0	0.00
4	Rema Menon	Vice President (Retail)	MBA (Marketing)	3,935,847	27	1-May-14	52	Innovations	0	0.00
5	Vivek Garg	Vice President (Projects)	B.Sc. (Engg.), PGDBM	2,966,338	29	1-Oct-12	57	JSL Architecture Limited	0	0.00
6	Jayanti AR	Vice President (Business Development)	Phd, LLB, MA, MBA	2,774,100	33	10-Jul-06	61	Infinite Biosol Private Limited	104	0.00
7	Ravinder Kumar Ganjoo	Sr. General Manager (Projects)	B.E. (Civil)	2,516,892	25	15-Jun-09	57	Engineering Projects (India) Limited	0	0.00
8	Sandeep Kumar Jain	Consultant (Project Execution)	BE (Civil)	2,342,967	35	5-Dec-06	56	Rishabhnath Developers & Builders Private Limited	612	0.00
9	Rajeev Kumar Jain	Vice President (Accounts)	CA	2,087,632	24	2-Apr-07	50	Vrinda Portfolio Private Limited	40	0.00
10	Pankaj Aggarwal	Vice President (Finance)	CA	1,970,952	22	1-Jan-07	48	Nagarjuna Construction Company Limited	0	0.00
Employees who have left the Company during Financial Year 2018-19										
1	Mr. Prehlad Kumar Jain	President	BE (Civil)	5,807,148	46	27-Sep-04 (Date of leaving: 31-Oct-18)	69	Deb Construction Private Limited	8,266	0.00
2	Mr. Rakesh Kumar Jain	President (Marketing & Business Development)	B.Sc., CA	4,348,888	37	02-Nov-17 (Date of leaving: 15-Oct-18)	60	Zee Entertainment	0	0.00

Notes:

1 The remuneration does not include leave encashment, gratuity and other retirement benefits.

2 The nature of employment in all cases is on contractual basis except in case of Directors, whose terms have been approved by the shareholders. Other terms and conditions of employment are as per Company 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

Annexure IV

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN
as on financial year ended on March 31, 2019
Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

i)	CIN	L45201DL1990PLC040945
ii)	Registration Date	July 24, 1990
iii)	Name of the Company	Parsvnath Developers Limited
iv)	Category/Sub-category of the Company	Public Limited Company
v)	Address of the Registered office & contact details	Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi-110032. Contact No.: 011-43010500, 43050100
vi)	Whether listed company (Yes/ No)	Yes
vii)	Name , Address & Contact details of Registrar & Transfer Agent, if any	Link Intime India Private Limited Address: Noble Heights , 1st Floor , Plot No. NH 2 , LSC, C-1 Block , Near Savitri Market, Janakpuri, New Delhi-110058 Contact No.: 011-41410592/93/94, 011-49411000

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:

S. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the Company
1	Development, Construction and Marketing of Real Estate projects for Commercial and Residential use	681-Real estate activities with own or leased property	96.66%

III PARTICULARS OF HOLDING , SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Parsvnath Landmark Developers Pvt. Ltd.	U45201DL2003PTC122489	Subsidiary	100	2(87)
2	Parsvnath Infra Ltd.	U45200DL2006PLC154061	Subsidiary	94.87	2(87)
3	Parsvnath Film City Ltd.	U92412DL2007PLC159853	Subsidiary	100	2(87)
4	Parsvnath Hotels Ltd.	U55204DL2007PLC170126	Subsidiary	100	2(87)
5	PDL Assets Ltd.	U45400DL2007PLC170966	Subsidiary	100	2(87)
6	Parsvnath Telecom Pvt. Ltd.	U32204DL2007PTC169471	Subsidiary	100	2(87)
7	Parsvnath Developers Pte. Ltd. (Overseas Subsidiary – Singapore)	N.A.	Subsidiary	53.32	2(87)
8	Primetime Realtors Pvt. Ltd.	U70109DL2006PTC149614	Subsidiary	100	2(87)
9	Parsvnath Estate Developers Pvt. Ltd.	U45400DL2007PTC166218	Subsidiary	100	2(87)
10	Parsvnath Promoters and Developers Pvt. Ltd.	U45400DL2007PTC166189	Subsidiary	51	2(87)
11	Parsvnath HB Projects Pvt. Ltd.	U45200DL2008PTC175708	Subsidiary	51	2(87)
12	Parsvnath Hessa Developers Pvt. Ltd.	U45400DL2007PTC166177	Subsidiary	100	2(87)

S. No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
13	Parsvnath Buildwell Pvt. Ltd.	U45400DL2008PTC178395	Subsidiary	99.83	2(87)
14	Parsvnath Realty Ventures Ltd.	U70101DL2008PLC176045	Subsidiary	100	2(87)
15	Vasavi PDL Ventures Pvt. Ltd.	U45309TG2016PTC112697	Subsidiary	51	2(87)
16	Farhad Realtors Pvt. Ltd.	U70200DL2008PTC175679	Subsidiary	100	2(87)
17	Parsvnath Rail Land Project Pvt. Ltd.*	U45203DL2011PTC227343	Subsidiary	28.30	2(87)
18	Jarul Promoters & Developers Pvt. Ltd.	U45400DL2007PTC166191	Subsidiary	100	2(87)
19	Suksma Builtech Pvt. Ltd.	U70109DL2008PTC177922	Subsidiary	100	2(87)
20	Parsvnath MIDC Pharma SEZ Pvt. Ltd. (Subsidiary of Parsvnath Infra Ltd.)	U24239MH2008PTC178174	Subsidiary (Step Down Subsidiary)	–	2(87)
21	Parsvnath Realcon Pvt. Ltd. (Subsidiary of Parsvnath Buildwell Pvt. Ltd.)	U70109DL2008PTC177916	Subsidiary (Step Down Subsidiary)	–	2(87)
22	Amazon India Ltd.	U01100DL1994PLC063704	Associate	48.31	2(6)
23	Homelife Real Estate Pvt. Ltd.	U70101CH2003PTC026160	Associate	50	2(6)
24	Vardaan Buildtech Pvt. Ltd.	U45201DL2005PTC138264	Associate	33.33	2(6)
25	Ratan Parsvnath Developers AOP	N.A.	Associate (Joint Venture)	50	2(6)

*Parsvnath Rail Land Project Pvt. Ltd. (PRLPPL) has become a Subsidiary of the Company since the Company is holding 85.10% voting rights in PRLPPL.

IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to Total Equity)

(i) Category-wise Shareholding

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	259,483,819	0	259,483,819	59.627	234,987,851	0	234,987,851	53.998	-5.629
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporates	47,186,992	0	47,186,992	10.843	47,186,992	0	47,186,992	10.843	0
e) Bank/FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
SUB TOTAL:(A) (1)	**306,670,811**	**0**	**306,670,811**	**70.470**	**282,174,843**	**0**	**282,174,843**	**64.841**	**-5.629**
(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**306,670,811**	**0**	**306,670,811**	**70.470**	**282,174,843**	**0**	**282,174,843**	**64.841**	**-5.629**
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	383,812	0	383,812	0.088	1,941,817	0	1,941,817	0.446	0.358
C) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0

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	
g) Foreign Institutional Investors	26,110,220	0	26,110,220	6.000	16,613,215	0	16,613,215	3.818	-2.182
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(1):	**26,494,032**	0	**26,494,032**	**6.088**	**18,555,032**	0	**18,555,032**	**4.264**	**-1.824**
(2) Non Institutions									
a) Bodies corporates									
i) Indian	58,965,995	0	58,965,995	13.550	86,007,631	0	86,007,631	19.764	6.214
ii) Overseas	22	0	22	0	22	0	22	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakhs	28,154,861	43,869	28,198,730	6.480	30,321,017	40,216	30,361,233	6.977	0.497
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	9,251,468	0	9,251,468	2.126	11,726,259	0	11,726,259	2.695	0.569
c) Others -	5,600,110	2	5,600,112	1.287	6,356,148	2	6,356,150	1.461	0.174
Trusts	394	0	394	0.000	394	0	394	0.000	0.000
Govt. Nominees	20	0	20	0.000	20	0	20	0.000	0.000
Hindu Undivided Family	1,887,483	2	1,887,485	0.434	2,018,883	2	2,018,885	0.464	0.030
Non Resident Indians (Non Repat)	191,137	0	191,137	0.044	337,212	0	337,212	0.078	0.034
Non Resident Indians (Repat)	3,386,387	0	3,386,387	0.778	3,419,355	0	3,419,355	0.786	0.008
Clearing Member	134,689	0	134,689	0.031	577,393	0	577,393	0.133	0.102
NBFCs registered with RBI	0	0	0	0.000	2,891	0	2,891	0.001	0.001
SUB TOTAL (B)(2):	**101,972,456**	**43,871**	**102,016,327**	**23.442**	**134,411,077**	**40,218**	**134,451,295**	**30.895**	**7.453**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**128,466,488**	**43,871**	**128,510,359**	**29.530**	**152,966,109**	**40,218**	**153,006,327**	**35.159**	**5.629**
C. SHARES HELD BY CUSTODIAN FOR GDRs & ADRs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Grand Total (A+B+C)	**435,137,299**	**43,871**	**435,181,170**	**100**	**435,140,952**	**40,218**	**435,181,170**	**100**	**0**

(ii) SHARE HOLDING OF PROMOTERS (INCLUDES PROMOTER GROUP ALSO)

Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of the Year			% change in shareholding 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	
Shri Pradeep Kumar Jain	117,156,162	26.921	23.916	103,112,436	23.694	18.575	-3.227
Smt. Nutan Jain	44,911,886	10.320	4.861	42,159,644	9.688	5.078	-0.632
Pradeep Kumar Jain & Sons (HUF)	97,332,571	22.366	19.171	89,632,571	20.597	13.015	-1.769
Parasnath And Associates Pvt. Ltd.	47,186,992	10.843	10.843	47,186,992	10.843	10.843	0
Shri Sanjeev Kumar Jain	21,600	0.005	0	21,600	0.005	0	0
Late Shri Sheetal Prasad Jain	21,600	0.005	0	21,600	0.005	0	0
Ms. Neelam Jain	24,000	0.005	0	24,000	0.005	0	0
Dr. Rajeev Jain	16,000	0.004	0	16,000	0.004	0	0
TOTAL	**306,670,811**	**70.470**	**58.791**	**282,174,843**	**64.841**	**47.511**	**-5.629**

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY, IF THERE IS NO CHANGE)

Particulars	Name of Promoters alongwith their PAN	Change in the number of Shares	Date wise increase/ decrease in Shareholding during the year	Reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	Shareholding at the beginning of the Year		Cumulative Share holding 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	Pradeep Kumar Jain (AEHPJ6194D)				**117,156,162**	**26.92**		
Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)		(1,38,43,726)	April 2, 2018	Invocation of Pledged Shares			10,33,12,436	23.74
		(50,000)	February 6, 2019	Invocation of Pledged Shares			10,32,62,436	23.73
		(1,50,000)	February 8, 2019	Invocation of Pledged Shares			10,31,12,436	23.69
At the end of the year							**10,31,12,436**	**23.69**

	Name of Promoters alongwith their PAN	Change in the number of Shares	Date wise increase/ decrease in Shareholding during the year	Reasons for increase/ decrease (e.g. allotment/ transfer/bonus/ sweat equity etc.)	Shareholding at the beginning of the Year		Cumulative Share holding 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	Nutan Jain (ACBPJ9940M)				**4,49,11,886**	**10.32**		
Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)		(27,52,242)	April 2, 2018	Invocation of Pledged Shares			4,21,59,644	9.69
At the end of the year							**4,21,59,644**	**9.69**
At the beginning of the year	Pradeep Kumar Jain & Sons (HUF) (AAFHP8013H)				**97,332,571**	**22.37**		
Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)		(17,00,000)	August 16, 2018	Invocation of Pledged Shares			9,56,32,571	21.97
		(35,00,000)	September 5, 2018	Invocation of Pledged Shares			9,21,32,571	21.17
		(25,00,000)	October 17, 2018	Invocation of Pledged Shares			8,96,32,571	20.60
At the end of the year							**8,96,32,571**	**20.60**

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS AND PROMOTERS)

Name of the Shareholders*	Shareholding at the beginning of the year (April 1 ,2018)**		Cumulative Shareholding at the end of the year (March 31, 2019)**	
	No.of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
IL And FS Financial Services Limited	13,108,215	3.012	17,519,301	4.026
India Infoline Finance Limited	0	0.000	16,336,892	3.754
Fidelity Securities Fund - Fidelity Blue Chip Growth Fund	16,443,447	3.779	14,693,447	3.376
Anand Rathi Global Finance Limited	9,259,427	2.128	9,389,427	2.158
VLS Finance Limited	0	0.000	8,200,000	1.884
Arch Finance Limited	120,000	0.028	5,085,000	1.168
Ivory Consultants Private Limited	3,129,999	0.719	3,111,019	0.715
Satpal Khattar	3,000,000	0.689	3,000,000	0.689
Decent Financial Services Private Limited	2,372,000	0.545	2,372,000	0.545
Jaliyan Trading Private Limited	0	0.000	2,100,000	0.483

*The names of the shareholders are taken as on March 31, 2019. Since the shares of the Company are traded on a daily basis, the date wise increase / decrease in shareholding is not indicated.
** Shareholding is consolidated based on Permanant Account Number (PAN) of the shareholder.

(v) SHAREHOLDING OF DIRECTORS & KMP

For each of the Directors & KMP	Name of Directors and KMPs alongwith their PAN*	Change in the number of Shares	Date wise increase/ decrease in Share holding during the year	Reasons for increase/ decrease (e.g. allotment/ transfer/bonus/ sweat equity etc.)	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	Shri Pradeep Kumar Jain (Director & KMP) -AEHPJ6194D				**117,156,162**	**26.921**		
Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)		(1,38,43,726)	April 2, 2018	Invocation of Pledged Shares			10,33,12,436	23.74
		(50,000)	February 6, 2019	Invocation of Pledged Shares			10,32,62,436	23.73
		(1,50,000)	February 8, 2019	Invocation of Pledged Shares			10,31,12,436	23.69
At the end of the year							**10,31,12,436**	**23.69**

For each of the Directors & KMP	Name of Directors and KMPs alongwith their PAN*	Change in the number of Shares	Date wise increase/ decrease in Share holding during the year	Reasons for increase/ decrease (e.g. allotment/ transfer/bonus/ sweat equity etc.)	No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	Shri Sanjeev Kumar Jain (Director & KMP)-AEHPJ6244G				**21,600**	**0.005**		
Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)		0	N.A.	N.A.			21,600	0.005
At the end of the year							**21,600**	**0.005**
At the beginning of the year	Dr. Rajeev Jain (Director & KMP)-AEDPJ4758B				**16,000**	**0.004**		
Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)		0	N.A.	N.A.			16,000	0.004
At the end of the year							**16,000**	**0.004**
At the beginning of the year	Shri Ashok Kumar (Director)-ABFPK9610A				**2,000**	**0.000**		
Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.)		0	N.A.	N.A.			2,000	0.000
At the end of the year							**2,000**	**0.000**
At the beginning of the year	Shri V.Mohan(KMP)-AAJPM9761B				**1,252**	**0.000**		
Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)		0	N.A.	N.A.			1,252	0.000
At the end of the year							**1,252**	**0.000**

*No other Director/KMP is holding any shares in the Company.

V Indebtedness

Details of Indebtedness of the Company including interest outstanding / accrued but not due for payment (₹ in Lakhs)

Sl. No.	Particulars	Secured loans excluding deposits	Unsecured loans	Total Indebtedness
A	**Indebtedness at the beginning of the financial year**			
i)	Principal Amount	209,866.12	3,190.75	213,056.87
ii)	Interest due but not paid	6,677.46	-	6,677.46
iii)	Interest accrued but not due	9,339.94	634.13	9,974.07
	Total (i+ii+iii)	**225,883.52**	**3,824.88**	**229,708.40**
B	**Change in Indebtedness during the finanacial year**			
i)	**Additions**			
a)	Principal	93,480.25	37,975.00	131,455.25
b)	Interest	48,056.25	2,492.43	50,548.68
ii)	**Reductions**			
a)	Principal	127,416.65	32,540.75	159,957.40
b)	Interest	43,780.99	1,575.03	45,356.02
	Net Change			
	Principal	**(33,936.40)**	**5,434.25**	**(28,502.15)**
	Interest	**4,275.26**	**917.40**	**5,192.66**
C	**Indebtedness at the end of the financial year**			
i)	Principal Amount	175,929.72	8,625.00	184,554.72
ii)	Interest due but not paid	10,987.19	-	10,987.19
iii)	Interest accrued but not due	9,305.48	1,551.53	10,857.01
	Total (i+ii+iii)	**196,222.39**	**10,176.53**	**206,398.92**

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A Remuneration to Managing Director, Whole time director and/or Manager (in Rs.):

S.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount (in ₹)
		Shri Pradeep Kumar Jain	Shri Sanjeev Kumar Jain	Dr. Rajeev Jain	
		Chairman	Managing Director and CEO	Director (Marketing)	
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act,1961.	-	-	-	-
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	: as % of profit	-	-	-	-
	: others (specify)	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	-	-	-	-
	Ceiling as per the Act	-			

Note : The Company has not paid any Managerial Remuneration during the year.

B. Remuneration to other directors (in ₹):

S.No.	Particulars of Remuneration	Name of the Directors				Total Amount (in ₹)
1	Independent Directors	**Shri Ashok Kumar**	**Dr. Pritam Singh**	**Ms. Deepa Gupta**	**Shri Mahendra Nath Verma**	
	(a) Fee for attending board committee meetings	540,000	350,000	560,000	450,000	**1,900,000**
	(b) Commission	0	0	0	0	**0**
	(c) Others, please specify	0	0	0	0	**0**
	Total (1)	**540,000**	**350,000**	**560,000**	**450,000**	**1,900,000**
2	Other Non Executive Directors	N.A.				
	(a) Fee for attending board committee meetings	0	0	0	0	**0**
	(b) Commission	0	0	0	0	**0**
	(c) Others, please specify	0	0	0	0	**0**
	Total (2)	0	0	0	0	**0**
	Total (B)=(1+2)	**540,000**	**350,000**	**560,000**	**450,000**	**1,900,000**
	Total Managerial Remuneration (A+B)					**1,900,000**
	Overall Ceiling as per the Act	Refer Note below				

Note : The Non-Executive Independent Directors were being paid only sitting fee, for attending each meeting of the Board of Directors or Committees thereof. The sitting fee so paid by the Company for each meeting is within the limits prescribed under the Act.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD (in ₹)

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		Shri.V.Mohan (Company Secretary)	**Shri M.C.Jain (Group CFO)**	**Total Amount (in ₹)**
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961.	4,264,884	4,916,452	**9,181,336**
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	32,400	39,600	**72,000**
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	:as % of profit	0	0	0
	:others, specify	0	0	0
5	Others, please specify	0	0	0
	Total	**4,297,284**	**4,956,052**	**9,253,336**

VII 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					

MANAGEMENT DISCUSSION AND ANALYSIS

1. MACRO-ECONOMY OVERVIEW

a. Global Economy

The tide of global expansion has turned from an expansionary phase that lasted from 2016 till the first half of 2018 to a period of slowing momentum due to a mix of factors that hit simultaneously in the second half of 2018. Chief among these factors were the escalating trade war between United States and its major trading partners, spikes in energy market, tight monetary conditions, and local factors affecting growth in major emerging markets. These factors are expected to affect the business and consumer confidence in the year 2019 as well. International Monetary Fund (IMF) in its World Economic Outlook (April 2019) report has estimated the 2018 growth in global economy to be 3.6%, down from 3.8% in 2017. It has also projected the growth to decline at a faster pace to 3.3% in 2019 (from 3.5% projected in its January 2019 report), with further downside risks. These numbers reflect a sustained decline in the expansion rate of advanced economies from above-trend levels and a temporary decline in the growth rate for emerging market and developing economies in 2019. With the growth in United States cooling-off after wearing-off of effects of the fiscal stimulus through tax breaks and major economies in Euro area also facing diverse challenges, the GDP growth in advanced economies was expected to moderate from 2.4% in 2017 to 2.2% in 2018 and 1.8% in 2019. Similarly, the emerging market block numbers of 4.8% increase in 2017 slowing down to 4.5% in 2018 and 4.4% in 2019 reflected shrinkages in Argentina and Turkey, and the impact of trade tensions on China and other Asian economies. There are mitigating actions being taken across the board such as structural reforms, dovish monetary stance from central banks, and trade talks. These actions are likely to have a positive impact, which shall be seen in Global GDP growth in the year 2020.

Output Trends for Major Economies

Source: International Monetary Fund's (IMF) World Economic Outlook Report – April 2019

GDP Growth	2017 (A)	2018 (E)	2019 (P)
Advanced Economies	**2.4**	**2.2**	**1.8**
United States	2.2	2.9	2.3
Euro Zone	2.4	1.8	1.3
Japan	1.9	0.8	1.0
Emerging Market & Developing Economies	**4.8**	**4.5**	**4.4**
China	6.8	6.6	6.3
ASEAN-5	5.4	5.2	5.1
Russia	1.6	2.3	1.6
Brazil	1.1	1.1	2.1
Saudi Arabia	-0.7	2.2	1.8
UAE	0.8	1.7	2.8
World	**3.8**	**3.6**	**3.3**

b. Indian Economy

The Indian economy was affected by many of the global factors mentioned above, especially on the exports front and spill over effects of high energy prices. These damaging developments in combination with the financial market crisis triggered by NBFC sector, created a major liquidity crunch in the market that has continued even in FY 2019-20. Slow progress in recapitalising the nationalised banks to kick-start the stalled private investment cycle and pullback in public investment spends due to lower revenue collections meant further exacerbated the slowdown in the economy. The GDP growth for FY2018-19 suffered as a result and was lowest of the 5 years under the NDA-2 government at 6.8%. This was a sharp drop from 7.2% GDP growth in FY2017-18. The shift in the momentum in the second half of calendar year 2018 was clearly visible in the falling trend of quarterly GDP growth, starting from 8.2% in Q1 to 7.1% in Q2 to 6.6% in Q3 and finally ending with a low of 5.4% in Q4 of FY2018-19. Other macroeconomic parameters also suffered as compared to relatively comfortable situation a few quarters prior.

- Gross Value Added growth was 6.6% in FY2018-19 as compared to 6.9% in FY2017-18
- Fiscal deficit for FY2018-19 was 3.4%, which meant a much slower pace of fiscal consolidation than previously targeted.
- Current account deficit widened to 2.1% in FY2018-19 from 1.8% in the previous year.
- Headline Inflation index (Consumer Price Index – CPI)

declined from 3.6% in FY2017-18 to 3.4% in FY2018-19 as food inflation during the year was only 0.1%. This hugely impacted the rural economy causing economic distress in the Agricultural sector in many parts of the country.

While some of the growth dampeners on the financial markets side are likely to impact the economic activity even in FY2019-20, there are a few factors which are likely to bring back some momentum. Reserve Bank of India has consecutively cut the Repo Rate by 25basis points in its last three monetary policy review meetings. Oil prices have stabilised and so has the exchange rate, trade war risks remain but have subsided to some extent, monetary easing bias in major global economies and a stable, new central government are some of the other factors likely to positively affect the economy. On a balance, the GDP growth in FY2019-20 is likely to be marginally higher at 7% as per Reserve Bank of India.

2. INDIAN REAL ESTATE SECTOR

The real estate sector in India is a critical piece of its economic architecture with its status as the second largest employer after agriculture, its support for over 300 upstream industries and double digit contribution to the overall GDP. Its importance is also linked with the creation of vital housing and commercial infrastructure necessary to enable high growth of the economy. Hence, in addition to its primary utility, the sector also generates a lot of positive second order effects, thus impacting consumer and business confidence across the country. It is however fragmented with an estimated 12,500+ active developers across the country and share of top 100 in value terms being 34% only. Hence, in terms of numbers, the sector is dominated by unorganised players.

The sector comprises of four main segments - Housing, Commercial - Offices, Commercial - Retail and Hospitality & Economic Services (for e.g. Schools, Hospitals). It is expected to touch a size of US$ 650 billion in 2025 and US$ 1 trillion by 2030 from US$120 billion in 2017 as per a September 2018 report by KPMG. The sector is expected to become the third largest globally by 2030 based on these forecasts. This growth potential has attracted a significant inflow of private equity and foreign capital into the Indian real estate sector. Research by Colliers', a real estate research firm, has indicated that inflows into Indian real estate sector totalled more than USD 53 billion (Rs. 32,000 crore) since 2008. Nearly 59% of the total inflows were invested in the period 2014 to first quarter of 2019. The data also indicated that the skew of the investments was towards non-residential segments in the recent years with the share of residential segment going down from 54% in 2008-2014 period to 32% in 2015-Q1 2019 period.

The Government enacted many laws in the last few years to transform the regulatory landscape governing the sector. The major regulatory changes and initiatives that are expected to positively impact the sector are as follows:

- The Real Estate (Regulation and Development) Act, 2016 that establishes regulator for the sector in each state so as to promote investments in the sector, transparency, consumer interest protection and speedy dispute redressal.
- 'Housing for All by 2022' mission under Pradhan Mantri Awas Yojana which aims to build around 35 million rural and 12 million urban homes through Credit Linked Subsidy on Home Loans for Lower Income and Middle Income Groups. The Government has also offered additional tax sops to developers (under section 80-IBA) and home buyers (under section 80EEA) for affordable housing sector.
- Infrastructure status awarded to the Affordable Housing segment will benefits it by way of lower borrowing rates, increased flow of foreign and private capital, preferential access to bank capital, and more.
- Implementation of GST has streamlined the tax structure for the industry and further rate reductions to 1% for affordable housing and 5% for others effective from April 1, 2019.
- The Prohibition of Benami Property Transactions Act 2016 and demonetisation of the old Rs. 1,000 and Rs. 500 notes starting from midnight of 8th November 2016 have greatly dis-incentivised the cash and parallel economy, thus bringing more formalisation and transparency to the real estate sector. This will increase its attractiveness for the investors and support organized builders.
- Authorisation of Real Estate Investment Trusts has added another attractive avenue for sourcing of capital by the sector. This would improve the market dynamics for Grade A quality properties and also promote more formalisation to attract institutional capital.
- Insolvency & Bankruptcy Code 2016 passed by the Government has proved an effective tool for release of blocked capital in the real estate sector which was the most affected by the distress in the Indian economy.

The recovery of outstanding dues from real estate NPAs through IBC for the financial creditors will enable the next cycle of revival in bank funding for the sector.

Some of the key trends emerging in the sector that will determine its future directions are as follows:

1. Growing population, shifting demographics, rising middle class, expanding incomes and increasing urbanization are driving the demand for housing.
2. Government support as outlined in the initiatives listed above is overcoming the key barrier of capital through its fiscal support to the 'Housing for All by 2022' programme.
3. Affordable housing is the most favoured segment for growth due to tax concessions, subsidies, infrastructure industry status and Governments concerted efforts to increase such housing stock.
4. Expansion of Indian economy, specifically the Services sector, are pushing up demand for quality office complexes, retail spaces, hotels, and other physical infrastructure for commercial activities
5. Institutional investor interest is at a peak in specific segments of the sector, however it is not enough to fully counter the liquidity squeeze due to drying up of Bank funding and NBFC crisis.
6. Emerging offerings such Co-living (Paying Guest or PG alternative), Student Housing, Senior Living, Co-working, and Data Centres (last two in the Commercial – Office segment) are also generating a lot of investor attention.
7. New age start-ups, including existing 'unicorns' entering into service-oriented and rental segments within the sector, for e.g. Oyo has entered Co-working, Co-living and Student Housing segments; Nestaway, Zolostays, and more start-ups have targeted the Co-living segment.

a. Residential segment

Overview

Residential segment constitutes ~80% of the real estate sector. Housing is a sector of significant importance for the government, and has seen many initiatives and programmes from it to reform and improve prospects for the segment. These measures have had a profound impact on the sales momentum in the industry and there are signs of revival across major markets. The government's target of "Housing for All by 2022" under Pradhan Mantri Awas Yojana (PMAY) is a major program undertaken to transform the sector. It is expected to bring a total investment of US$ 1.3 trillion to the housing segment by 2025. Affordable housing sub-segment is the main focus of these initiatives.

The long term trends in the sub-sector have been challenging with a slowdown in sale momentum and increase in inventory. Data shared by Liases Foras in an update on impact of Budget 2019 on the residential segment showed that the total inventory of ready and under construction units in December 2018 increased to 1.4 times of the level in December 2014 and share of ready units in the inventory nearly doubled from 4.7% to 8.4% in the same period.

Market Update FY19

The residential segment saw a recovery in many markets during FY19 and the total unit sales across nine major cities in the country grew by 17.9% over FY18. The momentum however flagged in the last quarter of the financial year mainly due to GST rate reduction from April 2019 and to some extent because of the slowdown in economy, NBFC crisis, and impending general elections. The year also saw a substantial improvement in inventory overhang of the sector as there was a decline in launches vis-à-vis sales growth. It reduced from 39 months at the end of Q4 FY18 to 30 months for the last quarter of FY19, gradually getting closer to the healthy levels of 24 months. The launches across nine cities were down by 3.9% in FY19 on a YOY basis.

The residential unit sales in FY19 were 319,645 as against 271,178 in the previous year. Quarterly YOY sales growth trend was 9.6% jump in Q1, 32.4% in Q2, 43.3% in Q3 and 4.9% decline in Q4. Similarly, the number of launches totalled to 230,754 units in FY19 vs. 240,113 in FY18. Quarterly YOY new launches growth trend was 1.2% growth in Q1, 12.9% slump in Q2, 40.2% increase in Q3 and 32.1% decline in Q4. Unsold inventory reduced from 890,179 units at the end of FY18 to 800,438 as on March 31, 2019, a decline of 10.1%. Sales momentum was the strongest in the MMR, Hyderabad and Pune among the nine major cities, whereas Gurugram, Noida and Ahmedabad were the bottom three.

Some of the key trends that emerged during the year for this segment are as follows:

1. Government is keen for the sector to revive and has consistently responded to any reasonable demands from the industry. In addition to the tax sops for Affordable Housing sub-segment, it has also reduced applicable GST (with a flexible transition option for the developers) and extended the exemption given to developers from levying tax on notional rent for unsold inventory from one year to two years after completion of a project.

2. Within the residential segment, Investors showed a marked preference for the Affordable Housing and alternate residential assets such as Co-living, Student Housing and Senior Living.

3. Sales data clearly shows an increasing preference for ready houses vis-à-vis under construction flats. Share of ready houses in total sales in the top nine cities went up from ~10% in Q4 FY16 to 18.1% in Q4 FY19.

4. Share of houses qualifying as affordable housing (i.e. <60 sq. mtrs.) is increasing as seen in the sales figures. It has gone up from 44.1% in FY18 to 48.7% in FY19. Growth in volume of affordable housing units was 30.2% as against 17.9% for the full sector.

5. Pricing trends showed that the prices were largely in the +/- 3% movement range for most cities within the top nine, except Hyderabad which was a huge outlier with 14% jump.

6. In FY19, NRIs were estimated to have invested ~US$ 11 billion into the Indian housing industry, as per estimates by 360 Realtors. This indicates a return of the 'investor' buyer and is likely to increase the volume of housing sales and pricing improvement.

Growth Drivers

- Housing Shortage: The Indian government estimated a shortage of 10 million dwellings in urban India and 62 million houses in rural India as of 2017. These numbers have drastically reduced since then on account of rapid approval of houses under PMAY-Urban and PMAY-Grameen. The urban shortfall would be reduced by as much as 60% based on the approved units. Yet, the absolute number of shortfall that will further increase with rise in population and 'nuclearisation' of families will continue to drive the sector's growth in the near term.

- Urbanization: In the next fifteen years, the urban population of India is expected to rise by 150 million people as per a report by JLL. India's urbanization is expected to reach a level of 40.8% of population by 2030 as per United Nation's State of the World Population Report, 2007. Hence, demand for urban housing will rise rapidly in the coming years.

- Rising Living Standards: The per-capita income at current prices rose from Rs. 9,580 per month in FY18 to Rs. 10,534 per month in FY19, a jump of 10% (Source: Ministry of Statistics and Programme Implementation). From ~80 million in 2018, India's middle class population is expected to expand to 580 million people by 2025 (Source: https://www.afr.com/opinion/indias-rapid-rise-and-growing-middle-class-creates-hunger-for-commodities-20181121-h185wl). Increasing payment capacity and living standards will drive demand for housing.

- Government Initiatives: Government incentives to builders and buyers, and initiatives such as 'Housing for All' by 2022 will be the most important growth driver for the segment.

Outlook

With the impact of lower GST kicking in from April 2019, the outlook for the segment, especially affordable housing, is optimistic and the sales growth seen in the previous year was likely to continue. NPAs across the banking system have seen a big decline after IBC and credit growth has started to pick-up. With the infrastructure status for affordable housing sub-segment, it may now be relatively easier for such projects to get access to bank and institutional capital. Continuing liquidity crunch for NBFCs, which are a major provider of capital for the sector now, is likely affect the segment overall and means a consistent growth trend and full recovery in the housing segment may be some more time away. However, cost of capital is likely to come down with the RBI's accommodative stance and a 75 basis points reduction in Repo rates in its last three monetary policy review meetings. Thus assuaging the haemorrhaging interest burden on balance sheets of real estate companies, especially those focused on the housing sector.

b. Commercial – Office segment Overview

The commercial-office segment of real estate sector in India has had a secular good run since the year 2014, and the year 2018 was even more so with high demand growth. It is majorly focused on services industry that are people intensive and need quality workspaces to ensure high employee productivity. The key client industry for the segment is IT/ITeS industry, which has been doing extremely well and is seeing a return of high recruitment numbers. IT industry is also seeing a lot of specialised requirements emerge with demand from data centres, e-commerce firms, start-ups, etc. Other main segments driving demand in the commercial space are co-working and the Banking, Financial Services & Insurance (BFSI) sector. The supply side is also witnessing a churn with increased institutional investment in both greenfield projects and ready assets. There is also an increasing shift towards peripheral locations in major metros to exploit the rental arbitrage. The segment has seen inflows into the industry increase from US$ 5.8 billion in the period 2008 – 2014 to US$ 9.1 billion in the period 2015 - Q1 2019.

Market Update FY19

Office space absorption in top 7 urban agglomerations of the country saw an increase of 17% in 2018 over 2017 reaching a level of 4.7 million Sq. Mtr. (50 Mn. Sq. Ft.). The gross absorptions were 4 million Sq. Mtr. (42.8 Mn. Sq. Ft.) in the year 2017. As against the highest level of demand seen in last eight years, the net new supply on the other hand declined by 20% to 2.5 million Sq. Mtr. (26.3 Mn. Sq. Ft.) in 2018. Share of the top three sectors in the gross absorption of commercial space was 43%, 14% and 12% for IT/ITeS, Co-working and BFSI respectively. The segment saw a decline in average leased area per transaction due to increasing efficiency through improved per square foot occupancy. This decline was 18%, i.e. from 4,200 Sq. Mtr. (45,200 sq. ft.) in 2017 to 3,448 Sq. Mtr. (37,100 sq. ft.) in 2018. In the leasing market, City-wise market shares were Bengaluru at 28%, followed by NCR at 20%, 15% in Mumbai, 14% in Hyderabad, 13% for Pune, Chennai with 8% and Kolkata on 2%. The vacancy levels fell by 3.4% from 14% in 2017 to 10.6% in 2018 across these cities.

Q1 CY 2019 saw a YOY drop of 10% in absorption levels to 1 million Sq. Mtr. (11 Mn. Sq. Ft.) in the top 7 cities of the country. New supply however declined more with a 17% de-growth to 0.7 million Sq. Mtr. (7.7 Mn. Sq. Ft.) in the same period. The share of IT/ ITeS sector stayed at top with 38% of leasing volume and flexible workspaces (or Co-working) contributed 30%. New supply of 4.8 million Sq. Mtr. (51.5 Mn. Sq. Ft.) was under construction at the end of Q1 CY 2019. Share of major metros in leasing was 32% for Bengaluru, 19% for Mumbai, 14% for Chennai, 13% for Delhi-NCR, 12% for Hyderabad, Pune at 9%, and Kolkata with 1%. Bengaluru and Chennai saw the highest addition of supply during the quarter with the former dominating with a 58% share of new supply.

Growth Drivers

Rapid Growth of Services Sector: While the services sector growth fell from 8.1% in 2017-18 to 7.5% in 2018-19, it remains the primary engine driving the Indian economy forward. Services sector is the largest among three and contributed more than 54% of the Gross Value Added in 2018-19. This trend is expected to continue going forward as well. Within this sector, the BFSI, IT/ITeS, Healthcare, etc. are some of the major industry segments that have been performing well over the years and depend on the Commercial segment of real estate sector to house their ever expanding workforces. IT/ITeS industry has seen emergence of various new segments to transform India into a holistic global sourcing destination for services. These include Engineering and R&D Sourcing, Animation & Special Effects Work, Product Development, etc. and the total contribution of non IT services segments reached 49% mark in 2018-19. A survey by NASSCOM showed that the nearly 50% industry leaders expected the hiring to be higher than 2018-19 and only 7% believed it will decline from a base of ~4 million employees. BFSI sector was likely to see a CAGR of 3.5% - 4% growth in employee base from 2017 to 2022, eventually touching a number of 2 million direct employees.

Co-working: India has the third-largest base of start-ups in the world with over 4,750 technology start-ups by 2018. This number is estimated to rise to 10,500 start-ups by 2020. Given the fast scale-up and high burn-rates in start-ups, they prefer Co-working spaces that offer premium quality workspaces, an environment to the taste of young workforce in start-ups, common facilities, and a high degree of flexibility. In addition to the start-ups, gig economy is giving rise to an army of free lancing individuals who prefer to work in a formal workplace set-up. The flexible workspace companies are expected to lease about 10 Mn. Sq. Ft. by 2020 from roughly 7.1 Mn. Sq. Ft. in 2018 (as per CBRE).

Real Estate Investment Trusts (REIT): REITs' transformational impact on the office segment will be in the form of corporatization and consolidation to attract institutional funding. In addition to the Alternative Investment Funding route available to institutional investors, REITs are likely to offer smaller investors an avenue to invest in real estate sectors and also an exit route for large institutional investors. This is expected to increase the available growth capital and also reduce the costs. A successful public offer of Embassy Office Parks (partnership of Blackstone and Embassy Group) is likely to attract more players to enter the market with their offers and grow the REIT space to ~US$ 50 billion in AUM in a few years' time.

Outlook

Given the slowdown in economy and the need for workspace efficiency and cost effectiveness, the gross leasing of office space is likely to see a small decline in the year 2019. This imperative is also expected to increase the shift towards peripheral locations from central business districts. However, flexible workplace operators are likely to see increased traction across the board. From an industry standpoint, the IT/ITeS sector shall continue to drive the demand with BFSI, Co-working and Consulting sectors following. Overall absorption is likely to be a tad lower at 4.3 million Sq. Mtr. (45.7 Mn. Sq. Ft.) in 2019 from the peak of 4.7 million Sq. Mtr. (50 Mn. Sq. Ft.) in 2018. Restricted new supply that came to market in 2018 due to delays in construction and approvals, is likely to regain pace in 2019 and touch 4.8 million Sq. Mtr. (51.3 Mn. Sq. Ft.). Major new supply is expected to go live in Bengaluru, NCR and Hyderabad. Vacancy levels are expected to inch back to 14% and so will average rents by a rate of 1.9% over 2018. The segment is likely to see similar levels of new supply and absorption up to 2021 with rents and vacancy inching up marginally.

c. **Retail segment Overview**

With the 5th largest economy in the world growing at a pace faster than all other major economies, the largely unorganized Indian retail market is an attractive proposition for local and international players. The sector accounts for 10%+ contribution to the country's Gross Domestic Product (GDP) and employs ~8% of the total workforce. India's position in the size of retail stakes is fifth in the world, where the growth is linked to the total consumption expenditure that is expected to touch ~US$ 3,600 billion by 2020 from US$ 1,824 billion in 2017. This reflected in India topping the Global Retail Development Index published by A. T. Kearney in 2017 to rank the top 30 developing countries for retail investment based on their attractiveness then and future potential.

Various formats coexist in India apart from the neighbourhood mom & pop standalone stores to super markets, hyper markets, shopping malls, e-commerce, and more. However, for the real estate industry the important factor is the growth in organized retail segment. Organized sector is set to growth with the reforms implemented by the Government to attract foreign investment in the sector. 51% FDI in multi-brand retail and 100% FDI in single-brand retail are authorized under the automatic route. The retail market is anticipated to reach US$ 1.2 trillion by 2020 because of factors such as rising incomes, lifestyle upgrade, increased digital connectivity increasing exposure of interior India to the world, and more. Share of the organized sector is expected to rise to 18% by 2021 from ~10% in 2015. E-Commerce retail share will touch 7% of the total retail market by 2021. Online retail has affected the sales of brick-and-mortar retail players, however the future of brick-and-mortar is unlikely to be in danger because retail players are moving to omni-channel selling and consumers are looking at a full experience of shopping, food and entertainment which e-commerce cannot provide.

The retail segment of the real estate sector has over the years seen growing investment inflows with growth in demand for quality retail spaces. Between 2008 and 2014, the segment saw an inflow of US$ 0.6 billion, which grew exponentially to US$ 1.9 billion for the period 2015 – Q1 2019.

Market Update FY19

In 2018, 85 new shopping malls were under construction across the country and were expected to come up over the next five years. Out of these, 30+ malls totalling to ~ 1.3 million Sq. Mtr. (14 Mn. Sq. Ft.) area will be opening in the top eight cities by 2020.

In 2018, ~0.5 million Sq. Mtr. (5.1 Mn. Sq. Ft.) of organized retail space became active in the top seven Indian cities in 2018. This translated to a growth of ~60% over absorption of 0.3 million Sq. Mtr. (3.2 Mn. Sq. Ft.) in 2017. Total Grade A retail stock as on 30th June 2018 in the country was 7.2 miillion Sq. Mtr. (77 Mn. Sq. Ft.). Delhi-NCR tops the share of total retail stock among metros with ~32%, followed by Mumbai at 23% and Bengaluru at 14%. The pan-India vacancy rate for retail properties stood at 13.4% by the end of first half of 2018.

Tier II and III towns are emerging as the next growth locations in the retail segment with investors increasingly focusing on these due to higher growth prospects. Rentals growing in most cities with Mumbai, Chennai and Pune seeing maximum growth.

Growth Drivers

Demographic Growth & Prosperity: Deepening prosperity and more disposable incomes in the hands of middle and lower income households due to lower food inflation, efficient delivery of subsidies and increasing income levels.

Urbanization & Retail-tainment Market: Increasing migration from rural to urban locations, where shopping malls are a major destination for entertainment, and desire for quality and upscale shopping experience is leading to growth in organized retail sector. The customers are today patronizing retail spaces that offer a one-stop-shop experience of events, entertainment, food, and shopping. This has translated into a higher share for the Food-Entertainment-Cinema (FEC) outlets in major malls.

Outlook

While the overall consumption levels have not been rising at a brisk pace and economic growth has taken a hit, the retail segment in real estate is likely to not be impacted excessively. Absorption levels are expected to see a 31% growth to reach 0.6 million Sq. Mtr. (6.7 Mn. Sq. Ft.) in 2019. As against this, 0.8 million Sq. Mtr. (8.8 Mn. Sq. Ft.) of supply is expected to be ready during the year.

JLL and REIS have projected that ~ 1.7 million Sq. Mtr. (18 Mn. Sq. Ft.) of retail space will be occupied in the period 2018 – 2020 against a supply of ~1.8 million Sq. Mtr. (18.8 Mn. Sq. Ft.). With supply and demand being at nearly identical levels, the pan-India vacancy rate is expected to be close to the 14% rate during this period. Delhi-NCR will be the leading destination for absorption, followed by Hyderabad and Mumbai.

The total retail stock in the country is expected to grow 34% over June 2018 levels to touch ~ 9.7 million Sq. Mtr. (103 Mn. Sq. Ft.) by 2022.

d. **Hospitality segment Overview**

Hospitality is a major segment for the real estate and construction industry where it partners with hotel chains and operators to offer rooms for business, tourism, and celebration activities. With a high growth economy and increasing affluence driving need for quality, all these consumer segments are seeing a good growth for organized hotel sector. India is also one of the top destinations in Asia Pacific region for Foreign Tourist Arrivals (FTAs), especially after liberalised visa policies were implemented. In 2018, FTAs grew by 5.2% to reach 10.56 million with the Foreign Exchange Earnings (FEEs) increasing 4.7% year-on-year to US$ 28.59 billion.

New capacity addition through signing of a new/ under-construction premise or brand conversion of existing capacity is the major means of entry for hospitality players in different markets. Delhi-NCR and Mumbai top the hospitality market in India, followed by Bengaluru, Hyderabad and Chennai. Hospitality sector has emerged from a prolonged slowdown in 2015 and is consistently seeing addition of new supply as the revenue realisation per available room and utilisation levels are consistently going up across markets with increased business traveller and tourist demand. This is being seen not only in the major metro markets, but also in tier II and tier III towns where Government is promoting tourism.

While AirBnB, Oyo, and other start-ups have been taking away some of this growth from the established chains, there has been enough growth to attract newer investments in the sector, especially from international players. International hotel chains are expected to reach a share of ~47% in the Tourism & Hospitality sector of India by 2020 and 50% by 2022. Meraqi, a real estate advisory firm, has projected an investment of US$2.8 billion in the period 2018-2022 in the hospitality sector. A report by HVS Anarock states that the hotel room supply in India grew by 3.5% in 2018, while demand grew by 6.8%. It has projected a supply addition of 8,574 rooms in 2019.

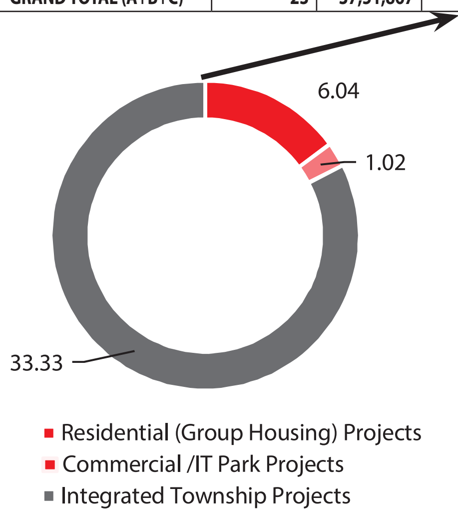
3. COMPANY OVERVIEW

Parsvnath Developers Limited is among India's premier real estate and infrastructure development companies, having a rich experience of nearly 30 years and wide presence across the country in 37 cities of 13 states. Parsvnath's business portfolio is diverse with marquee projects across multiple segments of the sector such as Residential, Commercial (Office and Retail), Integrated Townships, Hotels, SEZs, IT Parks. The housing projects of the Company are developed on a vast area with modern amenities and offer multiple configuration units of plots, houses, and villas. Integrated township projects also offer commercial, hotels, and common amenities like medical care and schools in addition to group housing. The Commercial projects provide office complexes for the service industries, mainly IT and BPO, or shopping malls or both. The Company is also in the process of executing SEZ and Hospitality projects through its subsidiaries.

The Company has completed 65 projects till date, with a total developed area of 25,14,399 Sq. Mtr. (27.07 Mn. Sq. Ft.). It currently has 23 projects that are under construction/ development, which total up to an area of 37,51,867 Sq. Mtr. (40.38 Mn. Sq. Ft.) of developed area.

Chart: Total area under construction/ development, as on 30th June, 2019

Sl. No.	Segment	No. of Projects	Area in (Sq. Mtr.)	Area (Mn. Sq. Ft.)
A	Residential (Group Housing) Projects	5	5,60,872	6.04
B	Commercial /IT Park Projects	5	94,305	1.02
C	Integrated Township Projects	13	30,96,690	33.33
	GRAND TOTAL (A+B+C)	**23**	**37,51,867**	**40.38**



The Company's marquee commercial projects, including offices and retail spaces, have set a benchmark in the sector. Over the years, prestigious names in various industries have chosen Parsvnath's landmark properties, notable among these are Facebook, World Health Organization, L'Oréal, Regus, Thomson Reuters, State Bank of India, Oriental Bank of Commerce, Axis Bank, Syndicate Bank, Aditya Birla Group, ICICI Lombard, QVC, Stemz Radiology, IDEMIA, SMC, NIELIT, etc. hosting their offices in the Company's properties and Retail stores of Adidas, Reebok, Bata, Benetton, Miniso, Market 99, Godfrey Philips, Haldiram, Camellia, Food Forum, Nexa, Concorde India (Tata Motors), Siam Makro, Metro Cash & Carry, Spencer's, PVR, INOX etc.

Some of the leading commercial projects delivered by the Company over the years are Parsvnath Towers (Phase I) -Bhai Veer Singh Marg, New Delhi; Parsvnath Plaza & Mall, Moradabad; Parsvnath Mall-Akshardham, Parsvnath Mall-Inderlok, Parsvnath Mall-Azadpur, Delhi; and Parsvnath Plaza-Saharanpur U.P. to name a few. Similarly, Parsvnath is also well-known for its residential projects such as Parsvnath Prestige-Noida; Parsvnath Exotica-Gurugram; Parsvnath Green Ville-Gurugram; Parsvnath Planet, Lucknow; and Parsvnath Pratibha- Moradabad among others. The major integrated township projects developed by Parsvnath include Parsvnath City, Jodhpur; Parsvnath Narain City, Jaipur; Parsvnath City, Sonepat; Parsvnath City, Indore; Parsvnath City, Ujjain; etc.

Parsvnaths is a prominent player, emerged out of bidding process, in developing commercial spaces on Delhi Metro Rail Stations and till date has completed 11 projects for DMRC totalling up to 0.98 Mn. Sq. Ft. development on Build-Operate-Transfer (BOT) basis.

Financial Performance

In the year FY2018-19, Company's operating revenues jumped from ₹193.67 crores in FY2017-18 to ₹911.06 crores. This was mainly on account of sale of one of its commercial mall projects in Delhi. The financials for the two years are however not comparable as Ind AS 115 has been applied from the date April 1, 2018 without restating the financials of FY2017-18 based on this standard. Based on the old revenue recognition standard, the top line in FY2018-19 would have been ₹832.42 crore or ₹78.63 crore lower than the stated figure. The profit after tax for the year under review was a net loss of ₹367.38 crore versus loss of ₹323.94 in the previous year.

a. Operational Highlights

- The Company's bookings during the year were 73,801.37 Sq. Mtr. (0.79 Mn. Sq. Ft.) of real estate at Rs. 8,552 lakhs value with the distribution between residential group housing, residential plots and commercial property being 7% at 5,071.54 Sq. Mtr. (0.05 Mn. Sq. Ft.), 88% at 65,102.01 Sq. Mtr. (0.70 Mn. Sq. Ft.) and 5% at 3,627.83 Sq. Mtr. (0.04 Mn. Sq. Ft.) respectively.
- It offered possession or completed construction of a total of 820 units in the year under review, measuring

1,39,066.2 Sq. Mtr. (1.5 Mn. Sq. Ft.) of sale/ leasehold area, of which 41% was residential group housing (56,381.74 Sq. Mtr. or 0.61 Mn. Sq. Ft.), 57% residential plot (79,202.34 Sq. Mtr. or 0.85 Mn. Sq. Ft.) and 3% was commercial/ retail property (3,482.2 Sq. Mtr. or 0.04 Mn. Sq. Ft.).

- The above figures do not include the sale of one of our commercial mall projects, which corresponded to a total developed area of 7,232.81 Sq. Mtr. (0.08 Mn. Sq. Ft.).

b. Business Segment Review including Segment Highlights

Residential Segment

In the residential segment, Parsvnaths offers both low-rise and high-rise apartments, and group housing with a strong and established brand name across northern India. From its inception till 30th June 2019, the company has successfully delivered 20 residential projects totalling to 8,71,274 Sq. Mtr. (9.38 Mn. Sq. Ft.) of developable area. It has 5 similar projects currently under construction across the country with a total developable area of 560,872 Sq. Mtr. (6.04 Mn. Sq. Ft.).

Segment Highlights, 2018-19

- The year under review saw the Company offering possession of 432 units across various projects in the Residential group housing segment.
- Total amount of Rs. 1,368 lakhs was booked from residential group housing project sales across several projects.

Integrated Townships

Integrated township projects of Parsvnaths are self-sustainable hubs offering a mix of residential plots, houses, villas, apartments, school, hospital and commercial units spread over a large area. The Company's repertoire comprises 13 completed projects spread over various cities and the Company has developed a saleable area of 13,10,240 Sq. Mtr. (14.1 mn. sq. ft.) in various configurations.

Segment Highlights, 2018-19

- Possession of 820 units across several projects during the said financial year was offered by the Company in this segment.

Commercial Segment

As on June 30, 2019, Parsvnaths had completed 15 commercial projects covering 70,789 Sq. Mtr. (0.76 Mn. Sq. Ft.) of leasable/ saleable area since inception. The Company has commercial projects having 94,305 Sq. Mtr. (1.02 Mn. Sq. Ft.) of leasable/ saleable area under construction. This segment is a key focus area for the Company because of the current demand scenario and its nature of generating regular cash flow through lease rentals.

Segment Highlights, 2018-19

- Project sales in the segment amounted to Rs. 85.52 crore against a total sale area of 73,801.37 Sq. Mtr. (0.79 Mn. Sq. Ft.) from its various commercial projects.
- In addition to sales bookings captured above, the Company also completed the sale of one of its commercial mall projects in Delhi having a total area of 7,232.81 Sq. Mtr. (0.08 Mn. Sq. Ft.)

The Company currently has two major ongoing commercial and retail projects viz. The Parsvnath 27 at K. G. Marg, New Delhi and Parsvnath Capital Tower (Phase 2) at Bhai Veer Singh Marg, New Delhi, besides a few others.

DMRC Malls

The Company was selected through a competitive bidding process by DMRC for award of 'Concession' to commercially develop incremental land pockets available with DMRC or integrated property development at MRTS stations up to 30 years on a Build-operate-transfer (BOT) basis. The Company has completed several projects under this arrangement.

Hospitality segment

In this segment, the Company had ventured through a 3-star hotel property in Shirdi through a 100% subsidiary, Parsvnath Hotels Limited (PHL). This hotel is expected to cater to the demand for quality hospitality in the budget segment. It will be operated and managed by a leading national hotel chain on completion in next few months.

c. Awards & Recognitions

Parsvnaths was conferred with the following awards and recognitions during FY 2018-19:

1. Best Upcoming Commercial Project of the Year 2018 awarded on April 28, 2018
   For 'The Parsvnath 27, KG Marg' by 'Construction Times' Magazine

2. Best Upcoming Affordable Housing Project of the Year 2018 awarded on April 28, 2018
   For 'Parsvnath Akanksha Floor, Jodhpur'

d. SWOT

Strengths	Weakness
• Established track record of more than three decades that has earned trust of customers through quality and timely execution. • Presence in nearly all major segments of the real estate sector and in many Indian states creating a diversified portfolio. • Land bank of prime locations in Delhi-NCR and other states for future growth. • Superior project execution capabilities. • Skilled workforce with a competent and experienced leadership .	• Delay in some of the projects due to various reasons hampering financial recovery and return to profitability.
Opportunities	**Threats**
• Affordable housing segment and commercial projects are the major segments seeing traction in the market. • Launch of REITs is expected to not only open a new source of capital, but also another avenue to divest entire projects for generating funds. • Growing need for quality urban infrastructure with planned townships offering many amenities and world class standard of living is in line with the Company's strengths. • Increasing occupancy rates at hotels are driving capacity expansion plans. • RERA and other legislations driving formalization of the sector in favour of established players.	• Market is moving to newer segments such as co-working, co-living, student living, senior living, etc. and the Company in unable to put up funds for participating in these opportunities. • Continued downcast market conditions and lack of transmission of repo rate reductions affecting demand for Company's projects. • NBFC crisis affecting a major source of funding to the real estate and constraining liquidity when the Company is in need of it. • Litigation on projects • Delay in sanction of projects.

e. Business Strategy & Outlook

The Company has been focused on generating liquidity for meeting operational needs and further growth by offloading assets so as to strengthen the balance sheet of the Company. All its efforts are currently aimed towards addressing this exigent requirement. The impact of massive slowdown faced by the real estate sector in the past few years have affected the Company's performance and weighed it down with a high level of debt and interest pay-out.

A major element of the Company's strategy in this direction is to shift projects and associated debts to Special Purpose Vehicles (SPVs) in order to make room for taking on new liabilities for taking care of operational funding needs. Some of the other elements are as follows:

1. Focus solely on delivering on commitments related to continuing projects within the residential segment.

2. Target growth from steady income yielding assets to ensure financing constraints do not become a growth impediment due to liquidity issues. These include rental income from Commercial properties and taking on third party contracts and Government orders for fee-based income.

3. The Company has been and will continue to tighten expenses for more efficient operations so as to improve profitability. In order to complete projects

faster, it is also engaging 3rd party developers or contractors wherever their costs are comparable or lower.

4. Like the sale of a commercial mall project in Delhi, the Company is constantly endeavouring to sell more assets to generate liquidity and reduce the debt burden. This attempt to improve liquidity and reduce the debt equity ratio is supplemented by scouting investors/ partners for individual projects by forming SPVs and also raise project specific debt off-the-books.

   The Company hopes to see positive results from its efforts to turnaround operations and finances. In addition, there are signs in the market of stability returning to sector and green shoots of sustainable recovery in many micro markets and specific segments. Hence, there is cautious optimism about its success in the financial year 2019-20 and beyond.

f. Subsidiaries & Associate Companies

i. **Subsidiary Companies**

Parsvnath Infra Limited (PIL)

Parsvnath Developers Limited holds 94.87% equity in PIL. PIL was allotted land by Andhra Pradesh Industrial Infrastructure Corporation Ltd. for setting up a Biotechnology SEZ at village Karkapatla, District Medak, Andhra Pradesh for which the sale deed was executed in 2010. However, due to mistakes in some survey numbers of certain lands, two rectification deeds had to be executed subsequently thus causing delay in execution of the project. PIL has received a notice dated May 26, 2018 from Telangana State Industrial Infrastructure Corporation Ltd (TSIIC) for cancellation of allotment of land due to delay in execution of the project. PIL has made suitable representation and a final decision of TSIIC in this regard is awaited.

PIL is in the process of setting up a Private Integrated IT/ Hi-tech Park at Kochi, Kerala, for which declaration of the land area as Industrial Area by the Government is awaited.

Parsvnath MIDC Pharma SEZ Private Limited (PMPSPL)

PMPSPL, a subsidiary of PIL, was incorporated to implement a pharmaceutical SEZ project in Maharashtra. However, consequent upon surrender of the project during 2014-15 as a result of unviability, options are being explored for taking up suitable business activity in PMPSPL.

Parsvnath Landmark Developers Private Limited (PLDPL)

Construction of the premium residential project "La Tropicana" at Civil Lines, Delhi, is in progress. The project is being constructed in three phases and phase 1 of the project is nearing completion. The project has been delayed due to delay in sanction of revised building plans by North Delhi Municipal Corporation (NDMC) besides the ownerhip of land issue between DMRC & NDMC, which has been recently resolved and it is expected that the construction will pick up pace soon upon receipt of the sanction of building plans by NDMC.

Parsvnath Hotels Limited (PHL)

The construction of the hotel project at Shirdi is still going on and the delay in completion has been caused due to inadequacy of funds.

Primetime Realtors Private Limited (PRPL)

The construction of a commercial building on a plot of land measuring 0.49 hectares (1.185 acres) situated at 27, Kasturba Gandhi Marg, New Delhi-110001, owned by PRPL has been completed and the Company is awaiting to receive the completion certificate from the concerned authorities and the same is expected to be received in due course.

Parsvnath Estate Developers Private Limited (PEDPL)

PEDPL, a wholly owned subsidiary of the Company, has constructed the "Parsvnath Capital Tower", a modern state of- the-art office-cum-commercial complex of international standards, located adjacent to Connaught Place on Bhai Veer Singh Marg, New Delhi on land taken on lease from DMRC. The building (Part A) has been leased out to leading corporates. The construction of Part B is in progress and is expected to be completed in due course.

Parsvnath Promoters and Developers Private Limited (PPDPL)

The proposed residential project near Rani Jhansi Road, Delhi was transferred to Parsvnath Rail Land Project Pvt. Ltd. at the instance of Rail Land Development Authority.

Parsvnath Rail Land Project Private Limited (PRLPPL)

PRLPPL was incorporated for implementing the residential project near Rani Jhansi Road, Delhi, on land leased by Rail Land Development Authority (RLDA). Your Company had tied up with Red Fort Capital Group, international private equity investors, for investment in the project. However, as a result of various factors including inability to achieve financial closure due to delay in approval of building plans, PRLPPL has surrendered the project and sought refund of the amounts deposited towards land premium. Since the RLDA disputed PRLPPL and the Company's claim for refund, the matter was referred to arbitration and the Hon'ble Arbitral Tribunal passed an Award dated November 25, 2017, directing RLDA to refund an amount of Rs. 1034,53,77,913/- (Rupees One Thousand Thirty Four Crores Fifty Three Lakhs Seventy Seven Thousand Nine Hundred Thirteen only) along with interest @ 4% per annum from July 15, 2015 till the date of payment. RLDA's subsequent application before the Hon'ble Delhi High Court challenging the said Arbitral Award, was rejected by the Court vide its judgment delivered on April 3, 2018. RLDA filed appeal before the Division Bench Hon'ble Delhi High Court which was also dismissed by the Hon'ble High Court vide its order dated March 14 2019. Upon the Company filing an execution petition in this matter, RLDA has subsequently deposited the required amount in the Registry of the Delhi High Court in July, 2019 after its Special Leave Petition was turned down by the Hon'ble Supreme Court. The Company/ PRLPPL propose to partly redeem some of the debentures issued by PRLPPL besides discharging certain other liabilities.

Parsvnath Hessa Developers Private Limited (PHDPL)

PHDPL, a wholly owned subsidiary of the Company, is developing a part of the premium luxury residential project "Parsvnath Exotica" at Gurgaon, Haryana. Possession of the flats to the customers has been given in the completed towers. Also, application for completion certificate has been made with the concerned authorities for certain other towers.

Parsvnath Buildwell Private Limited (PBPL)

PBPL is an SPV implementing a premium residential project "Parsvnath Exotica - Ghaziabad" in Ghaziabad District, Uttar Pradesh, spread over an area of approx. 12.55 hectares. The progress of construction is at a slow pace pending receipt of approval of revised building plans submitted with the Ghaziabad Development Authority and certain disputes with the land owners. Your Company has acquired all the equity shares and convertible debentures held by the Private Equity Investors in June 2018, making PBPL a 99 % subsidiary of the Company.

Parsvnath Realcon Private Limited (PRPL)

PRPL, a subsidiary of PBPL, is an SPV developing a luxury residential project at Subhash Nagar in West Delhi on land acquired from DMRC. The progress of construction has been hampered due to non-receipt of approval for revised building plans by South Delhi Municipal Corporation and the matter is pending before the Appellate Tribunal for adjudication. PRPL has also approached the Delhi High Court by way of filing a Writ Petition seeking appropriate remedies from the Delhi Development Authority and other government authorities and it is anticipated that the pending issues will be resolved soon paving way for completion of the project in the near future.

Parsvnath HB Projects Private Limited (PHBPL)

PHBPL, a subsidiary of your Company and a joint venture with HB Estate Developers Ltd., is a SPV for developing a Hotel-cum- Multiplex-cum Shopping Mall Project viz., Parsvnath Mall Matrix at Mohali in Punjab. Pursuant to certain disputes with the Punjab Small Industries Export Corporation (PSIEC) from whom the plot of land was acquired, the matter is under arbitration. PSIEC has initiated legal action for recovery of the plot land which is being defended.

Parsvnath Film City Limited (PFCL)

PFCL was set up to implement a Multi-media-cum-Film City Project near Chandigarh on the land to be provided by Chandigarh Administration. The Company had given an advance of Rs. 4,848.81 lakhs to Parsvnath Film City Limited (PFCL) for execution of the said Project. PFCL had deposited Rs. 4,775.00 lakhs with 'Chandigarh Administration' (CA) for acquiring development rights in respect of a plot of land admeasuring 30 acres from CA, under Development Agreement dated March 2, 2007 for the said purpose. Since CA could not handover the possession of the said land to PFCL in terms of the said Development Agreement. PFCL invoked the arbitration clause for seeking refund of the allotment money paid along with compensation, cost incurred and interest thereon.

The Arbitral Panel vide its order dated March 10, 2012, had decided the matter in favour of PFCL and awarded refund of Rs. 4,919.00 lakhs towards the earnest money paid and other expenses incurred by PFCL along with interest @ 12 % per annum. Subsequently, the CA filed a petition before the Additional District Judge at Chandigarh challenging the award under section 34 of The Arbitration and Conciliation Act, 1996. The said petition was dismissed by the Hon'ble District Judge vide his order dated May 7, 2015.

The Execution Petition was filed before Additional District Judge (ADJ), Chandigarh for the execution of the Arbitral Award by PFCL. In the meantime, CA filed an appeal under Section 37 of the Arbitration and Conciliation Act, 1996 before the Punjab and Haryana High Court at Chandigarh against the orders of the ADJ, Chandigarh pertaining to the Award of Arbitral Tribunal. The Hon'ble High Court allowed the appeal filed by CA and set aside the arbitral award vide its orders dated March 17, 2016. The Company had filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court of India which has since been admitted and notice has been issued to the Opposite Party. CA has also filed an SLP in this matter before the Hon'ble Supreme Court and both the matters have been tagged together. The matter will be listed for hearing in due course.

Parsvnath Telecom Private Limited (PTPL)

The Company has no plans to venture in to telecommunication related business given the market scenario. Accordingly, subsequent to the year end, PTPL has ceased to be a Subsidiary of the Company due to disposal of the entire shareholding by the Company on June 29, 2019.

Vasavi PDL Ventures Private Limited (VPVPL)

VPVPL was incorporated, pursuant to the joint venture agreement with Vasavi Nirmaan Pvt. Ltd., to develop the multi-complex on the land situated at Kukatpally, Hyderabad. The construction work is progressing at site.

Farhad Realtors Private Limited (FRPL)

FRPL is proposed to be used as a SPV for developing the Netaji Subhash Place Project in terms of the concession agreement executed with DMRC, subject to necessary approvals from DMRC.

PDL Assets Limited (PAL)

PAL is a SPV being used for developing the Azadpur Project in terms of the concession agreement executed with Delhi Metro Rail Corporation Limited ("DMRC"). While part of the project has been developed by the Company, the SPV will be developing/ completing the balance part subject to requisite approvals from DMRC and the Lenders.

Parsvnath Realty Ventures Limited (PRVL)

PRVL is a SPV for developing the Akshardham Project in terms of the concession agreement executed with DMRC. While part of the project has been developed by the Company, the SPV will be developing/ completing the balance part subject to requisite approvals from DMRC and the Lenders.

Jarul Promoters & Developers Private Limited (JPDPL)

JPDPL is a SPV being used for developing the Seelampur Project in terms of the concession agreement executed with Delhi Metro Rail Corporation Limited ("DMRC"). While part of the project has been developed by the Company, the SPV will be developing/ completing the balance part subject to requisite approvals from DMRC and the Lenders.

Suksma Builtech Private Limited (SBPL)

SBPL is a SPV being used for developing the Inderlok Project in terms of the concession agreement executed with Delhi Metro Rail Corporation Limited ("DMRC"). While part of the project has been developed by the Company, the SPV will be developing/ completing the balance part subject to requisite approvals from DMRC and the Lenders.

ii. **Associate Companies**

Amazon India Limited (AIL)

AIL in collaboration with the Company has successfully developed a group housing project viz., "Parsvnath Green Ville' at Sohna whereat possession of all flats have already been handed over. The Company is on the lookout for implementing any suitable projects.

Homelife Real Estate Private Limited (Home Life)

Home Life has developed part of a residential colony in Rajpura (Punjab) and balance part is currently under development.

Vardaan Buildtech Private Limited (Vardaan)

Vardaan owns a plot of land at Sonepat for building a commercial complex and construction of which will commence in due course upon receipt of requisite approvals.

4. HUMAN RESOURCES

Parsvnaths is committed to maintaining a competitive edge in the marketplace and strengthening its capabilities through development of its workforce is one of the key pillars of its strategy. This approach has helped the Company achieve its operational goals and deliver better customer experience within the overall context of the industry relying on the quality and strength of its human resources. The Company invests in professional development of its employees and has a robust Reward & Recognition policy to recognize achievers. There is emphasis on maintaining healthy workplace environment and open channels for communication without compromise on productivity and efficiency.

As of 31st March, 2019, the full time employee strength was 326.

5. MANAGING BUSINESS UNCERTAINITIES

The Company is exposed to uncertainty in the form of various risks that may affect its financial performance. The major risks that the company is exposed to, from an impact and probability perspective, are mentioned below along with a broad approach to minimize realization and mitigate the impact of risks. The risk assessment and management is done at Parsvnaths through a robust risk framework that covers all the probable risks faced by the Company.

Execution Risks

The Company's operations are dependent upon several factors that impact its ability to smoothly execute projects. The most important among these factors are labour, raw material, regulatory approvals, and access to utilities. Timely availability of these within the budgeted pricing are critical for the financial success of projects. Project executions may also be affected by impediments such as adverse weather patterns, lawsuits or natural disasters. These risks are managed by careful and thorough planning, providing necessary buffers in terms of time and money, working with reliable and reputed vendors/ contractors, implementation of standardized SOP for project execution that also cover instructions in the event of occurrence of any of these risks, and buying adequate insurance to mitigate their impact. Strengthening in-house project management capability is however the most important risk mitigation step for execution risks.

Pricing & Demand Risks

Sale prices for the projects in the markets where the Company operates are likely to be adversely affected by market conditions. This would in turn impact overall sales realization and affect its financial performance. Similarly, market conditions are likely to affect the demand volume for its projects. However, demand for the Company's projects is also dependent on customer preferences, its reputation for quality and timely delivery (the trust factor), and its sales and marketing efforts.

The Company endeavours to protect its prices by choosing to operate in micro markets (locations) where price volatility is low. Its selling efforts are tailored to the type and scale of project, and local market conditions to ensure demand and right prices. Maintaining quality in terms of design and construction, timely completion of projects, and delivery to customer so as to strengthen trust also helps it prevent impact on its sales realizations from pricing or demand slump. It also functions across multiple markets to diversify the portfolio that would minimize impact of these risks.

Financing Risks

The real estate sector is capital intensive due to scale and long gestation of projects. Adequate liquidity and cost of capital are therefore critical determinants of financial viability of any project. Financial markets are by nature susceptible to periods of volatility, which can impact liquidity and interest rates. In addition to this, access to and use of capital may be subject to newer regulatory restrictions. Inadequate funding may lead to execution issues and delivery delays, thus impacting reputation and financial performance. Similarly, higher interest costs may turn profitable projects unviable. Major ways in which your company manages these risks is through creation of sufficient reserves, using operating cash flows judiciously, optimize business operations and capital investments without compromising on quality, meticulous planning and effective project management. In addition to this, focusing on revenue streams generating regular cash flows, monetizing non-core assets and attracting longer term and low cost capital are key strategic priorities to manage the financing risks.

Cost & Availability Risk of Land

Land is the primary resource required for real estate sector, and overall expenditure for acquiring land forms a major part of the cost structure. Sustained availability of reasonably priced land in an attractive location having an efficient and design friendly layout without any encroachments or litigation is the key to continued outperformance. However, market conditions, competition, business environment and other factors may lead to non-availability of land in general and reasonably priced in particular. This in turn is likely to impact financial performance in the near term and growth in the longer term for the Company. Continuous development of a land bank for future use optimizing available capital, and thorough research and robust evaluation process for selection of land and micro markets are the most important mitigation measure.

Human Resources Risk

Real estate projects are people intensive and need a diverse set of competencies to profitably complete them and sell the units. Non availability of the right talent and non-retention would have a significant impact on the Company's project execution, quality and long term viability. A proficient Human Resource team, competitive remuneration and incentives, strong leadership, positive work environment, professional growth opportunities and training & development are a focus to ensure attraction and retention of the Company's superior workforce.

6. INTERNAL CONTROLS AND SYSTEMS

The Company has put in place adequate internal control systems to ensure alignment with company objectives, compliance with management directives, appropriate recording of all transactions, and prevention of malpractices. These are comprehensively and regularly put to test through audits conducted by an in-house Internal Audit Department. This team is complimented by appointment of an independent firm of Chartered Accountants to carry out the internal audit of various project sites, commercial and other functions of the Company. The Company has incorporated best practices in its operating manuals to achieve excellence.

The Audit Committee formed from the Directors on the Board meet to review audit findings, recommendations of internal and external auditors, and advice on audit plans to ensure process deficiencies, misconducts, and risks are discussed and corrected. They also appropriately modify internal controls in case of any observed deficiencies.

7. SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Ratios and figures of the Balance Sheet as at March 31, 2018, are not comparable with Ratios and figures of the Balance Sheet as at March 31, 2019 due to adoption of IND AS 115 during the Financial Year 2018-19. However in compliance with the requirements of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the significant changes (i.e. 25% or more during the financial year 2018-19, as compared to financial year 2017-18) in the key financial ratios, as mentioned in these regulations are given herein below:'

Ratio	2017-18	2018-19	%Change	Reason for Change
Debtors Turnover	0.07	0.49	600	The increase in the ratio is mainly due to effect of adoption of IND AS 115.
Inventory Turnover	0.01	0.06	500	The increase in the ratio is mainly due to effect of adoption of IND AS 115.
Interest Coverage Ratio	(2.01)	(2.54)	26	The increase in the ratio is due increased cost of borrowing.
Current Ratio	1.74	1.13	(35)	The decrease in the ratio is mainly due to effect of adoption of IND AS 115.
Total Debt Equity Ratio	0.87	1.18	36	The increase in the ratio is due to increase in debt during the year.
Operating Profit Margin	(174.09%)	(53.28%)	120	The increase in the ratio is due to substantial increase in turnover of the Company and also due to effect of adoption of IND AS 115.
Net Profit Margin	(73.38%)	(29.16%)	44.22	The increase in the ratio is due to substantial increase in turnover of the Company and also due to effect of adoption of IND AS 115.
Return on net worth	(0.05)	(0.16)	200	The increase in the ratio is due to decrease in Net worth of the Company on account of adoption of IND AS 115.

Forward Looking Statement

Statements made in the Management Discussion and Analysis Report describing the Company's objective, projections, estimates, expectations may be forward looking statements within the meaning of applicable laws and regulations, based on beliefs of the management of your Company. Such statements reflect the Company's current views with respect to the future events and are subject to risks and uncertainties. Many factors could cause the actual result to be materially different from those projected in this report, including among others, changes in the general economic and business conditions affecting demand/supply and price conditions in the segment in which the Company operates, changes in business strategy, changes in interest rates, inflation, deflation, foreign exchange rates, competition in the industry, changes in Governmental regulations, tax laws and other Statutes & other incidental factors. The Company does not undertake any obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The driving forces of Corporate Governance at Parsvnaths are transparency, fairness, integrity, equity and accountability. Doing the 'right things' in the 'right manner' reflects the spirit of Corporate Governance at Parsvnaths. It is a reflection of us - our value system, work culture & thought process.

The Corporate Governance philosophy at Parsvnaths is to not only adhere to the statutory requirements in letter but also in spirit in order to enhance and retain investors' trust. The Company is conscious and continues to voluntarily formulate and comply with the best governance principles to ensure creation of long term value for its stakeholders on sustainable basis. The Company relentlessly strives to align its vision and business strategy with the welfare and best interest of all stakeholders.

The Company strongly believes that effective and good Corporate Governance practices build strong foundation of trust and confidence which in turn attracts and retains financial and human capital. These resources, in turn, are leveraged to maximize long-term shareholder value, on a sustainable basis, while preserving the interests of multiple stakeholders, including the society at large.

Our Company is in compliance with the Corporate Governance guidelines as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). A report on the matters mentioned in the said Regulations and the practices followed by the Company is detailed below.

2. BOARD OF DIRECTORS

A Composition & Category

As on March 31, 2019, there were 7 (Seven) Directors on the Board including 4 (Four) Non-Executive Directors in compliance with the prescribed combination of Executive and Non-Executive Directors on the Board. As regards the presence of Independent Directors, the Company requires atleast half of the Board to be represented by Independent Directors, since the Board of Directors of the Company is headed by an Executive Chairman. All the 4 (Four) Non-Executive Directors of the Company are Independent and thereby, the composition of the Board of Directors is in compliance with the parameters prescribed under Regulation 17(1) of Listing Regulations.

The maximum tenure of the Independent Directors is in compliance with the provisions of Companies Act, 2013 ("the Act") and Rules made thereunder, from time to time. All the Independent Directors have confirmed that they meet the criteria as mentioned in Regulation 16(1)(b) of the Listing Regulations and Section 149 of the Act. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence and that they are independent of the management. In terms of Regulation 25(8) of Listing Regulations, the Independent Directors of the Company have also confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The terms and conditions of appointment of the independent directors are disclosed on the website of the Company and can be accessed at http://www.parsvnath.com/terms-conditions-of-appointment-of-independent-directors/.

As per the declarations received by the Company, none of the Directors is disqualified under Section 164 of the Act. None of the Directors of the Company is a member of more than ten Committees or acts as a Chairperson of more than five Committees across all Public Limited Companies in which he holds the directorship. The Company is notified by the Directors, from time to time, regarding the status of Committee positions they occupy in other companies. The Independent Directors of the Company are not serving as Independent Directors in more than 7 Listed Companies.

The detailed composition of the Board is represented in Table 1 below:

Table 1: Composition of the Board of Directors as on March 31, 2019

S. No.	Name & Category of the Director	DIN	Designation	Number of Directorship (s) in other Public Limited Companies#	Number of Membership(s)/ Chairmanship(s) held in Committees of Public Limited Companies*		Directorship in other listed entity (Category of Directorship)
					Membership(s)	Chairmanship(s)	
Executive Directors – Promoter and Promoter Group							
1	Mr. Pradeep Kumar Jain	00333486	Chairman	3	0	0	N.A.
2	Mr. Sanjeev Kumar Jain	00333881	Managing Director & CEO	1	2	0	N.A.
3	Dr. Rajeev Jain	00433463	Director (Marketing)	4	1	0	N.A.
Non-Executive Independent Directors							
4	Mr. Ashok Kumar	00138677	Director	1	1	1	N.A.
5	Dr. Pritam Singh	00057377	Director	2	3	1	• Hero Motocorp Limited** (Non-Executive Independent Director) • Godrej Properties Limited** (Non-Executive Independent Director)
6	Ms. Deepa Gupta	02411637	Director	1	1	0	N.A.
7	Mr. Mahendra Nath Verma	02931269	Director	0	0	1	N.A.

Excludes Private Companies, Foreign Companies and Companies registered under Section 8 of the Companies Act, 2013 for the purpose of considering the limit prescribed under Regulation 26(1) (a) of the Listing Regulations.

* For the purpose of reckoning the limit of the Committees on which a Director can serve, the Chairmanship/Membership of the Audit Committee and the Stakeholders Relationship Committee of all listed and/or unlisted Public Limited Companies only have been considered as prescribed under Regulation 26(1) (b) of the Listing Regulations.

** Dr. Pritam Singh has ceased to be a Director from the Boards of Hero Motocorp Ltd. and Godrej Properties Ltd. w.e.f. March 31, 2019 and April 1, 2019 respectively.

Skills, expertise and competencies of Directors

The Board of Directors of the Company brings to the fore a vast range of skills and experience from various fields, functions and sectors, which enhance the governance framework and Board's decision making process. The Company believes that it is the collective effectiveness of the Board that impacts the performance of the Company and therefore, members of the Board amongst themselves should have a balance of skills, experience and diversity of perspectives appropriate to the Company.

The Board has identified the below mentioned skills/ area of expertise/ competencies required in the context of Company's business and the industry it operates in and are fundamental for the effective functioning of the Company:

- **Strategic insight and planning-** Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments. Ability to comprehend the socio-economic, political, regulatory and competitive environment, in which the Company is operating and insight to identify opportunities and threats for the Company's business.

- **Policy Evaluation -** Ability to comprehend the Company's governance philosophy and contribute towards its refinement periodically. Ability to evaluate policies, systems and processes in the context of the Company's business and review the same periodically.

- **Industry Expertise** – Expertise with respect to the sector the organization operates in. An understanding of the 'big picture' in the given industry and recognizes the development of industry segments, trends, emerging issues and opportunities.

- **Market Expertise** – Expertise with respect to the geography the organization operates in. Understands the macro-economic environment, the nuances of the business, consumers and trade in the geography and the knowledge of the regulations & legislations of the market(s) the business operates in.

- **People & Talent Understanding** – Experience in human resource management and ability to understand the talent market and the Company's talent quotient so as to help fine-tune strategies to attract, retain and nurture competitively superior talent.

- **Governance, Financial and Commercial Acumen** – An understanding of the law and application of corporate governance principles. Capability to provide inputs for strategic financial planning, assess financial statements and oversee budgets for the efficient use of resources. Commercial acumen to critique the Company's financial performance and evaluate the Company's strategies and action plans in the context of their financial outcomes.

- **Risk Management and Compliance-** Ability to appreciate key risks impacting the Company's business and contribute towards development of systems and controls for risk mitigation & compliance management and review and refine the same periodically.

- **Board Cohesion -** Ability to comprehend the statutory roles and responsibilities of a Director and of the Board as a whole. Ability to encourage and sustain a cohesive working environment and to listen to multiple views and thought processes and synergise a range of ideas for organisational benefit. Ability to provide diversity of views to the Board that is valuable to manage our customer, employee, key stakeholder or shareholders.

- **Stakeholder Value Creation -** Ability to understand processes for shareholder value creation and its contributory elements and critique interventions towards value creation for the other stakeholders.

- **Culture Building -** Ability to contribute to the Board's role towards promoting an ethical organisational culture, eliminating conflict of interest and setting & upholding the highest standards of ethics, integrity and organisational conduct.

The Company has an experienced and competent Board and all the above-mentioned skills/ expertise/ competencies are available with the Board as a whole.

B Board Meetings & Last Annual General Meeting – Attendance of Directors

The Board met 7 (Seven) times on May 29, 2018; August 13, 2018; September 14, 2018; September 28, 2018; November 14, 2018; February 9, 2019 and February 14, 2019 during the financial year ended March 31, 2019. The attendance of each Director at the Board Meetings and at the last Annual General Meeting (AGM) held on September 28, 2018 is set out in Table 2 below:

Table 2: Attendance of the Directors at the Board Meetings and at the last AGM

S. No.	Name of the Directors	Number of Board Meetings attended	Attendance at AGM held on September 28, 2018
1	Mr. Pradeep Kumar Jain	7	Y
2	Mr. Sanjeev Kumar Jain	6	Y
3	Dr. Rajeev Jain	7	Y
4	Mr. Ashok Kumar	6	N
5	Dr. Pritam Singh	4	N
6	Ms. Deepa Gupta	7	Y
7	Mr. Mahendra Nath Verma	6	Y

C Relationship Between Directors

Mr. Pradeep Kumar Jain, Mr. Sanjeev Kumar Jain and Dr. Rajeev Jain are related to each other as brothers. Apart from this, none of the other Directors is inter-se related to each other.

D Separate Meeting of Independent Directors

During the relevant financial year, a separate meeting of the Independent Directors was held on March 19, 2019 with all the Independent Directors present, *inter-alia,* to review the performance of Non-Independent Directors and the Board as a whole, to review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors and to assess the quality, quantity and timeliness of flow of information between the Company's management and the Board, that is necessary for the Board to effectively and reasonably perform its duties.

E Details of Equity Shares held by the Non- Executive Directors

The details of the Equity Shares held by the Non-Executive Directors as on March 31, 2019 is given in Table 3 below:

Table 3: Details of Equity Shares held by Non-Executive Directors as on March 31, 2019

S.No.	Name of the Director	No. of Shares held
1	Mr. Ashok Kumar	2,000

F Familiarisation Programmes for Board Members

The Board Members are provided with necessary documents and policies to enable them to familiarize themselves with the Company's procedures and practices. Periodic presentations are made to the Board on business and performance of the Company. The details of such familiarization programmes are posted on the website of the Company and can be accessed at http://www.parsvnath.com/investors/iulr/familiarization-programs-for-independent-directors/.

G Information supplied to the Board & Statutory Compliance

The Board of Directors has complete access to accurate, relevant and timely information. The agenda notes prepared for the meetings of the Board of Directors cover all items specified in Secretarial Standard on Board Meetings (SS-1) and Regulation 17(7) read with Part A of Schedule II to the Listing Regulations to the extent applicable to the Company. In addition, the following items are also provided and reviewed by the Board of Directors on a regular basis:

a. Report on statutory compliance with all applicable laws by the Company, as well as steps taken by the Company to rectify instances of non-compliance, if any;

b, Minutes of the meetings of the Board of Directors of all the subsidiary companies of the Company; and

c. Statement of all significant transactions and arrangements entered into by/with the subsidiary companies.

3. AUDIT COMMITTEE

(i) The Audit Committee of the Board of Directors of the Company is constituted in line with the provisions of Regulation 18 of the Listing Regulations read with Section 177 of the Act.

(ii) The terms of reference of the Committee, *inter -alia*, include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

3. Approval of payment to Statutory Auditors for any other services rendered by the statutory auditors;

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

   a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Act;

   b. Changes, if any, in accounting policies and practices and reasons for the same;

   c. Major accounting entries involving estimates based on the exercise of judgment by management;

   d. Significant adjustments made in the financial statements arising out of audit findings;

   e. Compliance with listing and other legal requirements relating to financial statements;

   f. Disclosure of any related party transactions;

   g. Modified opinion(s), if any in the draft audit report;

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

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

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

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

9. Scrutiny of inter-corporate loans and investments;

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

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

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

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

14. Discussion with internal auditors of any significant findings and follow up thereon;

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

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

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;

19. To review the functioning of the Whistle Blower mechanism/vigil mechanism;

20. Approval of appointment of CFO after assessing the qualifications, experience and background etc. of the candidate;

21. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statements before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;

22. Reviewing the utilization of loans and/ or advances from/investment by the Company in the subsidiary exceeding Rs. 100 Crores or 10% of the asset size of the subsidiary, whichever is lower, including existing loans / advances / investments.

23. Carrying out any other function as may be mentioned in the terms of reference of the Audit Committee.

24. To mandatorily review the following information:

    - Management discussion and analysis of financial condition and results of operations;

    - Statement of significant related party transactions (as defined by the audit committee), submitted by management;

- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the chief internal auditor; and
- Statement of deviations, in terms of Regulation 32 of the Listing Regulation:
  - (a) Quarterly Statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s);
  - (b) Annual Statement of funds utilized for purposes other than those stated in the offer document/prospectus/notices.

(iii) Composition and Meeting Details of the Audit Committee:

As on March 31, 2019, the Audit Committee comprised of Mr. Mahendra Nath Verma (Chairperson), Mr. Sanjeev Kumar Jain, Mr. Ashok Kumar, Dr. Pritam Singh and Ms. Deepa Gupta. All members except Mr. Sanjeev Kumar Jain are Non-Executive Independent Directors of the Company. All the members of the Audit Committee possess sound knowledge of accounts, audit, taxation etc.

The Committee invites Group Chief Financial Officer and representative(s) of the Statutory Auditors and External Internal Auditors to attend the meetings of the Audit Committee on a regular basis. Mr. V. Mohan, Sr. Vice President (Legal) & Company Secretary acts as the Secretary to the Audit Committee.

(iv) The Committee met 4 (Four) times with adequate quorum on May 29, 2018; August 13, 2018; November 14, 2018 and February 14, 2019 during the financial year ended March 31, 2019. The gap between two meetings did not exceed one hundred and twenty days. The attendance of each member thereat is set out in Table 4 below:

Table 4: Attendance of the Members at the Audit Committee Meetings

S. No.	Name of the Member	Category	Number of Audit Committee Meetings attended
1	Mr.Mahendra Nath Verma	Non-Executive, Independent	3
2	Mr. Sanjeev Kumar Jain	Managing Director & CEO	3
3	Mr. Ashok Kumar	Non-Executive, Independent	4
4	Dr. Pritam Singh	Non-Executive, Independent	3
5	Ms. Deepa Gupta	Non-Executive, Independent	4

4. NOMINATION AND REMUNERATION COMMITTEE

(i) The Board of Directors has constituted Nomination and Remuneration Committee (NRC), pursuant to the requirements of Section 178 of the Act read with rules made thereunder and Regulation 19 of the Listing Regulations. The Committee's composition and terms of reference meet with the requirements of the above mentioned provisions.

(ii) In accordance with Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations, the terms of reference of the Committee, *inter-alia,* include the following:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
2. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria to be

formulated by the Committee, recommend to the Board their appointment and removal and carry out evaluation of every director's performance including Independent Directors.

3. To ensure the following, while formulating the policy:

   (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

   (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

   (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals:

4. To devise a policy on Board diversity;

5. To identify whether to extend or continue the term of appointment of independent directors, on the basis of the report of performance evaluation of independent directors;

6. To recommend to the Board, all remuneration, in whatever form, payable to senior management.

7. To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, NRC or an independent external agency and NRC will review its implementation and compliance.

Pursuant to amendments in the Act and Listing Regulations, the Board of Directors at its meeting held on May 29, 2018 has enlarged the scope of NRC by including the following:

(a) To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, NRC or an independent external agency and NRC will review its implementation and compliance.

(b) To recommend to the Board, all remuneration, in whatever form, payable to senior management.

(iii) Nomination and Remuneration Policy:

Your Company has formulated a policy on Nomination and Remuneration of Directors and Senior Management and the major points relating to the aforesaid policy are as follows:

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

   i. The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per the 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.

   ii. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

(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. Provided that the amount of such fees shall not exceed Rs. One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central

Government, from time to time.

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 thereunder 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.

iii. Any remuneration paid to Non- Executive / Independent Directors for services rendered which are professional in nature shall not be considered as part of the remuneration for the purposes of clause (ii) above if the following conditions are satisfied:

- The Services are rendered by such Director in his capacity as a professional; and
- In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.

(c) Remuneration to Key Managerial Personnel and Senior Management:

i. The remuneration to Key Managerial Personnel and Senior Management, in whatever form i.e. fixed pay and incentive pay, shall be recommended by the Nomination and Remuneration Committee, in compliance with the provisions of the Act and in accordance with the Company's Policy.

ii. The Fixed pay shall include monthly remuneration and may include employer's contribution to Provident Fund, contribution to pension fund, pension schemes etc., if any, as decided from time to time.

iii. The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

The Policy has been revised to align the same with various amendments in the Listing Regulations.

(iv) Composition and Meeting Details of the Committee:

As on March 31, 2019 the Committee comprised of Dr. Pritam Singh (Chairperson), Mr. Ashok Kumar, Mr. Mahendra Nath Verma and Ms. Deepa Gupta, all being Non-Executive Independent Directors. Mr. V. Mohan, Sr. Vice President (Legal) & Company Secretary acts as the Secretary to the Committee.

During the financial year ended March 31, 2019, 2 (Two) meetings of the Committee were held on May 29, 2018 and February 14, 2019 and the attendance of each Member thereat is set out in Table 5 below:

Table 5: Attendance of the Members at the Nomination and Remuneration Committee Meetings

S. No.	Name of the Member	Category	Number of Meetings attended
1	Dr. Pritam Singh	Non- Executive, Independent	1
2	Mr. Ashok Kumar	Non- Executive, Independent	2
3	Mr. Mahendra Nath Verma	Non- Executive, Independent	1
4	Ms. Deepa Gupta	Non- Executive, Independent	2

(v) Performance Evaluation Criteria for Independent directors

In terms of provisions of Section 178 (2) of the Act, read with Part D of Schedule II of Listing Regulations, the role of Nomination and Remuneration Committee (NRC) shall, inter-alia, include specifying the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, NRC or an independent external agency and NRC will review its implementation and compliance. During the year under review, the Board of

Directors has carried out an annual evaluation of its own performance and that of its committees and individual Directors, pursuant to the provisions of the Act, based on the criteria recommended by NRC. Based on the report of performance evaluation of Independent Directors, their re-appointment/ continuation for second term was recommended to the Board of Directors.

(vi) Remuneration of Directors

a. The remuneration of Executive Directors is decided after taking into consideration a number of factors including industry trend, remuneration package in other comparable corporates, job responsibilities and key performance areas, Company's performance etc. The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis.

Keeping in view the current state of affairs of the Company, the Company has not paid any remuneration to its Executive Directors and the remuneration, if any, paid in future would be subject to the limits laid down under Sections 197, 198 and all other applicable provisions, if any, of the Act read with Rules made thereunder and Schedule V to the Act and in accordance with the terms of appointment approved by the Members of the Company.

During the financial year 2018-19, the Company paid sitting fees of Rs. 50,000 (Rupees Fifty Thousand only) per meeting to each Non – Executive Director for attending the Board Meetings and Rs. 30,000 (Rupees Thirty Thousand only) per meeting to each Non – Executive Director for attending meetings of Committees of the Board except for Corporate Social Responsibility Committee.

The Executive Directors are not being paid any sitting fees for attending the meetings of the Board of Directors and/or Committees thereof.

b. Remuneration to Executive/ Non-Executive Directors

The below mentioned Table 6 gives the details of remuneration paid to Directors for the year ended March 31, 2019.

Table 6: Remuneration paid to the Directors of the Company during Financial Year 2018-19

S. No.	Name of the Director	No. of Shares held	Salary & Perquisites (Rs./ Lakhs)	Sitting Fees (Rs./ Lakhs)	Total Amount (Rs./ Lakhs)
1	Mr. Pradeep Kumar Jain	10,31,12,436	NIL	-	NIL
2	Mr. Sanjeev Kumar Jain	21,600	NIL	-	NIL
3	Dr. Rajeev Jain	16,000	NIL	-	NIL
4	Mr. Ashok Kumar	2,000	-	5.40	5.40
5	Dr. Pritam Singh	-	-	3.50	3.50
6	Ms. Deepa Gupta	-	-	5.60	5.60
7	Mr. Mahendra Nath Verma	-	-	4.50	4.50

Notes:

1. Shareholding figures are as on March 31, 2019. The Company has not issued any instruments that can be converted into equity shares. No Stock option has been granted to any of the Directors of the Company.

2. The Board of Directors at its Meeting held on February 14, 2019 has re-appointed Mr. Pradeep Kumar Jain, Mr. Sanjeev Kumar Jain and Dr. Rajeev Jain as Whole-time Directors of the Company for a period with effect from April 1, 2019 to March 31, 2022, subject to the approval of Members of the Company at the ensuing Annual General Meeting. The term of office of the Whole-time Directors shall remain valid for the said period, which may be terminated by giving prior notice of six months in writing by either side. No severance fee is payable.

3. The remuneration, by way of salary & perquisites, does not include leave encashment, gratuity and other retirement benefits.

4. The Company pays rentals to Mr. Pradeep Kumar Jain and Mrs. Nutan Jain, wife of Mr. Pradeep Kumar Jain, for the car parking spaces/office flats taken on rent.

5. During the year, the Non-Executive directors of the Company had no pecuniary relationship or transactions with the Company, apart from receiving directors' remuneration.

5 STAKEHOLDERS RELATIONSHIP COMMITTEE

(i) The Board of Directors has constituted Stakeholders Relationship Committee, pursuant to the requirements of Section 178 of the Act read with rules made thereunder and Regulation 20 of the Listing Regulations.

(ii) The Committee specifically looks into various aspects of interest of shareholders and debenture holders.

The role of the Committee *inter-alia* includes the following:

(1) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

(2) Review of measures taken for effective exercise of voting rights by shareholders.

(3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

(4) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

(iii) Composition and Meeting Details of the Committee:

As on March 31, 2019, the Committee comprised of three Members including two Executive Directors viz. Mr. Sanjeev Kumar Jain and Dr. Rajeev Jain and one Non-Executive Independent Director viz. Mr. Ashok Kumar, who is the Chairperson of the Committee and Mr. V. Mohan, Sr. Vice President (Legal) & Company Secretary acts as the Secretary to the Committee and is the Compliance Officer.

During the year under review, a meeting of the Committee was held on August 13, 2018 with all the members present. The scope of the Committee was enlarged in accordance with the amendments made in the Listing Regulations.

During the year under review, the Company had received 6 (Six) Investor Complaints. Out of the 6 Complaints, 4 were resolved during the year and 2 were resolved/ replied to subsequent to the year-end i.e. on April 4, 2019.

6. OTHER COMMITTEES

A. Corporate Social Responsibility Committee

In accordance with Section 135 of the Act read with rules made thereunder, the Board of Directors of the Company has constituted the Corporate Social Responsibility Committee which comprises five members including two Executive Directors viz. Mr. Pradeep Kumar Jain and Mr. Sanjeev Kumar Jain and three Non-Executive Independent Directors viz. Mr. Ashok Kumar (Chairperson), Ms. Deepa Gupta and Mr. Mahendra Nath Verma. Mr. V. Mohan, Sr. Vice President (Legal) & Company Secretary acts as the Secretary to the Committee.

Terms of Reference of the Committee, *inter alia*, include the following:

1. Formulation of Corporate Social Responsibility (CSR) policy which shall indicate the activities to be undertaken by the Company.
2. Recommendation of the amount of expenditure to be incurred on the aforesaid activities.
3. Monitor the CSR Policy of the Company, from time to time.
4. Approval of annual report on Corporate Social Responsibility initiatives for inclusion in the Board's Report.
5. Perform such functions as may be detailed in the Act, and the relevant Rules made thereunder and any other applicable legislation and as directed by Board, from time to time.

During the year under review, a meeting of CSR Committee was held on August 13, 2018 which was attended by all the members.

B. Risk Management Committee

As per Regulation 21 of the Listing Regulations, the Company is not required to constitute Risk Management Committee. However, in view of the Company's policy to adhere to high standards of corporate governance practices, the Board of Directors of the Company at its Meeting held on November 14, 2018 has voluntarily constituted the Risk Management Committee, with Ms. Deepa Gupta (Chairperson), Mr. Pradeep Kumar Jain, Mr. Mahendra Nath Verma and Dr. Pritam Singh as its Members. Mr. V. Mohan, Sr. Vice President (Legal) & Company Secretary acts as the Secretary to the Committee.

The scope of the Committee, *inter-alia*, includes to focus on the risk management including determination of Company's risk appetite, risk tolerance and regular risk assessments (risk identification, risk quantification and risk evaluation) etc. and to monitor the compliance with the `Risk Management Policy' laid down by the Company so as to ensure that various types of risks are controlled by means of a properly defined framework.

C. Shares Committee

The Shares Committee of the Board of Directors of the Company comprises three members viz. Mr. Pradeep Kumar Jain, Mr. Sanjeev Kumar Jain and Dr. Rajeev Jain. Mr. Pradeep Kumar Jain is the Chairperson of the Committee and Mr. V. Mohan, Sr. Vice President (Legal) & Company Secretary acts as the Secretary to the Committee and is the Compliance Officer. The Committee exercises the powers relating to approval of transfer of shares /re-materialisation/split/consolidation of share certificates, delegated to it by the Board for the sake of operational convenience. The Committee would perform such other functions as may be delegated by the Board, from time to time.

In order to provide timely and efficient service to the shareholders, the Board of Directors has delegated some of its powers including power to approve transfer of shares to Mr. V. Mohan, Sr. Vice President (Legal) & Company Secretary.

During the financial year ended March 31, 2019, Shares Committee met 2 (Two) times with adequate quorum on November 14, 2018 and December 7, 2018. The attendance of each member thereat is set out in Table 8 below:

Table 8: Attendance of the Members at the Shares Committee Meetings

S. No.	Name of the Member	Number of Meetings attended
1	Mr. Pradeep Kumar Jain	2
2	Mr. Sanjeev Kumar Jain	2
3	Dr. Rajeev Jain	2

7. GENERAL BODY MEETINGS

A. Annual General Meetings (AGMs) & Special Resolutions passed therein in the last three years

The date, time and location of the last three AGMs of the Company and the Special Resolutions passed by the Shareholders in these AGMs are set out in Table 9 and Table 10 respectively:

Table 9: Particulars of last three AGMs of the Company

Year	Location	Date	Time
2017-18	Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi 110003	28.09.2018	3:30 P.M.
2016-17	Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi 110003	27.09.2017	3:30 P.M.
2015-16	Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi 110003	29.09.2016	3:30 P.M.

Table 10: Special Resolutions passed in the last three AGMs of the Company

Date of Meeting	Nature of Resolutions
28.09.2018	Approval for Private Placement of Non-Convertible Debentures
	Approval for disinvestment in Parsvnath Estate Developers Pvt. Ltd., Subsidiary Company
	Approval for disinvestment in Primetime Realtors Pvt. Ltd., Subsidiary Company
27.09.2017	Approval for Private Placement of Non-Convertible Debentures
29.09.2016	Approval for re-appointment and Remuneration of Mr. Pradeep Kumar Jain, as a Whole-time Director designated as Chairman of the Company
	Approval for re-appointment and Remuneration of Mr. Sanjeev Kumar Jain, as a Whole-time Director designated as Managing Director and Chief Executive Officer (CEO) of the Company
	Approval for re-appointment and Remuneration of Dr. Rajeev Jain, as a Whole-time Director designated as Director (Marketing) of the Company
	Approval for Private Placement of Non-Convertible Debentures
	Approval for Material Transactions with Related Parties

B. Postal Ballot Exercise

No Postal Ballot was held during the Financial Year ended on March 31, 2019. No special resolution is proposed to be conducted through postal ballot.

8. MEANS OF COMMUNICATION

In accordance with Regulation 46 of the Listing Regulations, the Company is maintaining a functional website i.e. www.parsvnath.com containing information about the Company viz., details of its business, terms and conditions of appointment of independent directors, composition of various committees of board of directors, code of conduct of board of directors and senior management, details of establishment of vigil mechanism/Whistle Blower policy, policy on dealing with related party transactions, policy for determining 'material' subsidiaries, details of familiarization programmes imparted to independent directors, e-mail address for grievance redressal and other relevant details, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, annual reports, shareholding patterns, etc. The contents of the said website are updated from time to time.

The notice of Board Meetings, quarterly/ annual financial results of the Company are normally published in The Financial Express (English/Daily) and Jansatta (Hindi/Daily). The same are also posted on the website of the Company (www.parsvnath.com). The official news releases are also posted on the website of the Company.

Further, in support of the "Green Initiative in the Corporate Governance" announced by The Ministry of Corporate Affairs (MCA), the Company sends all documents such as Notices for General Meetings, Annual Reports containing, *inter-alia*, Board's Report, Auditors' Report etc. in electronic form to all the Members whose e-mail addresses are registered with Company/RTA/ Depository Participant(s) unless any such member opts to receive the physical copy of the same.

9. GENERAL SHAREHOLDER INFORMATION

A. Annual General Meeting

Day	:	Saturday
Date	:	September 21, 2019
Time	:	3:30 p.m.
Venue	:	Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi – 110003

B. Financial Calendar

The tentative financial calendar for the on-going financial year i.e. April 1, 2019 to March 31, 2020 is set out in Table 11 below:

Table 11: Tentative schedule for the Financial Year 2019-20

Activity	Schedule
Financial Reporting for the Quarter ended June 30, 2019	August 13, 2019
Financial Reporting for the Quarter/ Half Year ending September 30, 2019	On or before November 14, 2019
Financial Reporting for the Quarter / Nine Months ending December 31, 2019	On or before February 14, 2020
Financial Reporting for the Quarter/ Year ending March 31, 2020	On or before May 30, 2020

C. Date of Book Closure

The period of book closure is from Saturday, September 14, 2019 to Saturday, September 21, 2019 (both days inclusive).

D. Dividend Payment Date

For the Financial Year 2018-19, no dividend was recommended by the Board of Directors of the Company.

E. Listing on Stock Exchanges

The equity shares of the Company are listed on the following Stock Exchanges:

National Stock Exchange of India Limited (NSE) "Exchange Plaza" Bandra-Kurla Complex, Bandra (E), Mumbai – 400051	BSE Limited (BSE) Phiroze Jeejeebhoy Tower Dalal Street, Mumbai – 400001

The Company has paid the annual listing fee for the financial year 2019-20 to both NSE and BSE.

F. Stock Code

The codes assigned to the equity shares of the Company by NSDL/CDSL, NSE and BSE are set out in Table 12 below:

Table 12: Codes assigned to the equity shares of the Company

NSDL/CDSL (ISIN)	NSE Stock Code	BSE Stock Code
INE561H01026	PARSVNATH – EQ	532780

G. Market Price Data

The monthly high and low prices of the Company's equity shares traded at BSE and NSE, as also the high and low of S&P BSE Sensex and Nifty 50 for the financial year 2018-19 are set out in Table 13 & 14 below:

Table 13: High/Low Price of the equity shares of the Company at BSE vis-à-vis S&P BSE Sensex

Month/Year	HIGH		LOW	
	Price (Rs.)	S&P BSE Sensex	Price (Rs.)	S&P BSE Sensex
April, 2018	15.60	35,213.30	13.45	32,972.56
May, 2018	17.30	35,993.53	13.50	34,302.89
June, 2018	14.30	35,877.41	11.00	34,784.68
July, 2018	12.34	37,644.59	10.11	35,106.57
August, 2018	14.09	38,989.65	11.30	37,128.99
September, 2018	12.00	38,934.35	8.75	35,985.63
October, 2018	9.40	36,616.64	6.55	33,291.58
November, 2018	11.13	36,389.22	7.20	34,303.38
December, 2018	8.40	36,554.99	7.15	34,426.29
January, 2019	9.00	36,701.03	5.45	35,375.51
February, 2019	6.77	37,172.18	4.33	35,287.16
March, 2019	7.78	38,748.54	5.65	35,926.94

Table 14: High/Low Price of the equity shares of the Company at NSE vis-à-vis Nifty 50

Month/Year	HIGH		LOW	
	Price (Rs.)	Nifty 50	Price (Rs.)	Nifty 50
April, 2018	15.80	10,759.00	13.45	10,111.30
May, 2018	17.40	10,929.20	13.65	10,417.80
June, 2018	14.50	10,893.25	10.65	10,550.90
July, 2018	12.45	11,366.00	10.10	10,604.65
August, 2018	14.00	11,760.20	11.35	11,234.95
September, 2018	12.10	11,751.80	8.70	10,850.30
October, 2018	9.95	11,035.65	6.45	10,004.55
November, 2018	11.15	10,922.45	7.05	10,341.90
December, 2018	8.50	10,985.15	6.90	10,333.85
January, 2019	8.85	10,987.45	5.55	10,583.65
February, 2019	6.90	11,118.10	4.45	10,585.65
March, 2019	7.65	11,630.35	5.70	10,817.00

H. Registrar & Share Transfer Agent (RTA)

Link Intime India Private Limited (Unit: Parsvnath Developers Limited)

Noble Heights, 1st Floor, Plot No. NH 2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-110058
Phone: +91 11 4941 1000
e-mail: delhi@linkintime.co.in

I. Share Transfer System

During the year under review, pursuant to Regulation 40(9) of the Listing Regulations, certificates issued by the Practising Company Secretary for due compliance of share transfer formalities have been furnished by the Company to the Stock Exchanges on half yearly basis.

The shares of the Company are compulsorily traded in demat mode. Further, SEBI has also mandated transfer of securities in demat mode only, with effect from July 1, 2019 and accordingly, the Company will not be able to accept requests for transfer of shares held in physical mode. Hence, the Members who are still holding physical Share Certificates are advised to get their shares dematerialized.

J. Distribution of Shareholding

Table 15 and 16 list the shareholding pattern and distribution of the shareholding of the equity shares of the Company, in terms of categories of shareholders and size of holding respectively:

Table 15: Shareholding Pattern as on March 31, 2019

Category of Shareholders	Mode of Holding Shares		Total Shareholding	
	Physical	Demat	Number	%
Promoters	0	28,21,74,843	28,21,74,843	64.84
Bodies Corporate	0	8,60,07,653	8,60,07,653	19.76
Financial Institutions/ Banks	0	19,41,817	19,41,817	0.45
Mutual Funds	0	0	0	0
Foreign Portfolio Investors and Foreign Institutional Investors	0	1,66,13,215	1,66,13,215	3.82
NRIs	0	37,56,567	37,56,567	0.86
Individuals	40,216	4,20,47,276	4,20,87,492	9.67
Others	2	25,99,581	25,99,583	0.60
Total	**40,218**	**43,51,40,952**	**43,51,81,170**	**100**

Table 16: Distribution of Shareholding as on March 31, 2019

Range of Shareholding	Shareholders		Shareholding	
	Number	%	Number	%
Upto 500	1,67,063	93.72	1,29,11,584	2.97
From 501 to 1000	5,858	3.29	45,67,872	1.05
From 1001 to 2000	2,766	1.55	42,01,468	0.96
From 2001 to 3000	857	0.48	21,72,409	0.50
From 3001 to 4000	391	0.22	14,26,627	0.33
From 4001 to 5000	310	0.17	14,72,001	0.34
From 5001 to 10,000	502	0.28	37,01,330	0.85
From 10,001 and above	510	0.29	40,47,27,879	93.00
Total	**1,78,257**	**100**	**43,51,81,170**	**100**

K. Dematerialization of shares

Table 17 lists the number of equity shares of the Company held in dematerialised mode through National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on March 31, 2019:

Table 17: Shares in Dematerialised mode as on March 31, 2019

NSDL		CDSL		Total	
No. of Shares	% of Capital	No. of Shares	% of Capital	No. of Shares	% of Capital
35,46,44,507	81.49	8,04,96,445	18.50	43,51,40,952	99.99

L. Outstanding GDRs/ADRs/Warrants or any Convertible instruments

The Company has not issued any GDRs/ADRs/Warrants or any other instruments, which are convertible into equity shares of the Company.

M. Plant Location

As the Company is engaged in the business of real estate activities, there is no plant location.

N. Address for correspondence

Company	Registrar & Share Transfer Agent (RTA)
Shri V. Mohan Sr. Vice President (Legal) & Company Secretary Parsvnath Developers Limited Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi -110032. CIN: L45201DL1990PLC040945 Phone No. : 011-43050100/ 43010500 Fax No. : 011- 43050468/43050473 e-mail: investors@parsvnath.com Website: www.parsvnath.com	Link Intime India Private Limited (Unit: Parsvnath Developers Limited) Noble Heights, 1st Floor, Plot No. NH 2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-110058 Phone No. :0 11 49411000 Fax No. : 011- 41410591 e-mail: delhi@linkintime.co.in Website: www.linkintime.co.in

O. Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

P. List of all Credit Ratings obtained (including any revision thereto during the Financial year) for all debt instruments of the Company or any scheme or proposal involving mobilization of funds, whether in India or abroad

CRISIL has reviewed / withdrawn its ratings on the bank facilities of the Company vide Letter Nos. PARDEVL/214614/BLR/O11900655 and PARDEVL/214614/BLR/011900655/1, both dated January 17,2019 as under:

Total Bank Loan Facilities rated - Rs. 74.56 Crore - CRISIL D (Re-affirmed)

Total Bank Loan Facilities rated - Rs. 175.44 Crore- CRISIL D (Withdrawn)

10. OTHER DISCLOSURES

A. Materially Significant Related Party Transactions, i.e. the Company's transactions that are of material nature, with its Promoters, Directors and the management, their relatives or subsidiaries, among others that may have potential conflict with the Company's interests at large:

During the year under review, there were no Materially Significant Related Party Transactions, i.e. the Company's transactions that are of material nature, with its Promoters, Directors and the management, their relatives or subsidiaries, among others that may have potential conflict with the Company's interests at large.

As per Section 188 of the Act read with applicable Accounting Standards, the transactions entered into by the Company with its 'Related Parties' during the financial year 2018-19 are detailed in the Notes to Accounts of the financial statements. All Related Party Transactions were on an arm's length basis and in the ordinary course of business. The Related Party Transactions Policy as approved by the Board of Directors may be accessed on the Company's website at the link: http://www.parsvnath.com/investors/iulr/related-party-transaction-policy/.

B. Non-compliance/strictures/penalties:

There were no instances of non-compliance by the Company on any matter related to capital markets and therefore, no penalties and/or strictures have been imposed on the Company or the Board of Directors by any Stock Exchange or SEBI or any statutory authority during the last three years.

C. Vigil Mechanism/Whistle Blower Policy:

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism / Whistle Blower Policy under which the Directors and employees are free to report violations of applicable laws and regulations. During the year under review, no Director and employee was denied access to the Chairperson of the Audit Committee. However, the Company has not received any complaint under the aforesaid mechanism.

D. Subsidiary Companies

The Company had 21 subsidiary companies as on March 31, 2019, including one overseas subsidiary viz. Parsvnath Developers Pte. Ltd., incorporated in Singapore.

During the year under review:

- Parsvnath Rail Land Project Private Limited ("PRLPPL") has become a subsidiary of the Company in terms of Section 2(87) of the Companies Act, 2013, pursuant to MCA notification dated May 07, 2018.
- Jarul Promoters & Developers Private Limited ("JPDPL") has become a wholly owned subsidiary of the Company, consequent upon the acquisition of 1,00,000 equity shares, with effect from March 16, 2019.
- Suksma Buildtech Private Limited ("SBPL") has become a wholly owned subsidiary of the Company, consequent upon the acquisition of 10,000 equity shares, with effect from March 16, 2019

Also, the Company had, pursuant to the Securities Purchase Agreement dated June 21, 2018, acquired 4,90,000 Class A Shares and 1,00,000 Class B Shares from Anuradha SA Investments LLC, Mauritius (Investor 1) and 87,51,000 Series A Fully Convertible Debentures from Anuradha Ventures Limited, Cyprus (Investor 2), of Parsvnath Buildwell Private Limited ("PBPL"), a subsidiary company and SPV for implementing a premium residential project viz." Parsvnath Exotica" in Ghaziabad (UP).

Subsequent to the year end, Parsvnath Telecom Private Limited ("PTPL") has ceased to be a Subsidiary of the Company due to transfer of entire shareholding by the Company on June 29, 2019.

As at March 31, 2019, there was no "material subsidiary" as defined under Regulation 16(1)(c) of the Listing Regulations. Parsvnath Estate Developers Private Limited has ceased to be a material subsidiary Company as on March 31, 2019, as per the provisions of the Listing Regulations.

The Audit Committee reviews the financial statements, in particular, the investments, if any, made by subsidiary companies of the Company. The minutes of the Board meetings alongwith details of significant transactions and arrangements, if any, entered into by the subsidiary companies are periodically placed before the Board of Directors of the Company.

The Policy for determining material subsidiaries as approved by the Board of Directors may be accessed on the Company's website at the link: http://www.parsvnath.com/investors/iulr/policy-for-determining-material-subsidiaries/.

E. Certificate from Practising Company Secretary

A certificate has been obtained from a Company Secretary in Practice that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority.

F. Acceptance of Recommendations of various committees by the board

The board had accepted all recommendations of its various committees which are mandatorily required, in the relevant financial year.

G. Fees paid to the Statutory Auditors of the Company

The details of total fees paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor for the services provided by them are given below:

S. No.	Particulars	Amount (In Rs. Lakhs)
1	Statutory audit fee	50.17
2	Tax audit fee	2.00
3	Limited reviews fee	30.00
4	Certification and other services	-
5	Reimbursement of out-of-pocket expenses	0.14
6	GST/Service tax on above	2.09
Total		**84.40**

H. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a. Number of complaints filed during the financial year : Nil

b. Number of complaints disposed of during the financial year : Nil

c. Number of complaints pending as on end of the financial year.: Nil

I. Compliance with mandatory & non-mandatory requirements

The Company complies with all the mandatory requirements as prescribed under Regulation 24(1) read with Part E of Schedule II to the Listing Regulations. The Company has adopted following non-mandatory requirements of the aforesaid Regulation:

a) The statutory financial statements of the Company, on standalone basis, are unqualified.

b) Mr. Pradeep Kumar Jain is the Chairman of the Company and Mr. Sanjeev Kumar Jain is the Managing Director & CEO of the Company. The Company has complied with the requirement of having separate persons for the post of Chairman and Managing Director & CEO.

c) The Internal Auditors of the Company directly report to the Audit Committee.

J. Risk Management

The Board of Directors at its Meeting held on November 14, 2018 has constituted a Risk Management Committee. Risk evaluation and management is an ongoing process. The Company has in place a risk management framework under which risks are identified across all business processes, on a continuous basis. Once identified, these risks are systematically categorized as strategic risks, business risks or reporting risks and thereafter, adequate steps are taken to mitigate the risks. The Company has in place a Risk Management Policy.

K. Reconciliation of Share Capital Audit

Pursuant to Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 (Erstwhile Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996), a qualified practising Company Secretary carries out a share capital audit quarterly to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report(s) confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL and that the requests for dematerialisation of shares are processed by the RTA within the prescribed time and uploaded with the concerned depositories.

L. "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" and "Code of Conduct to regulate, monitor and report trading by Designated Persons and their immediate relatives" under SEBI (Prohibition of Insider Trading) Regulations, 2015

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of the Company has amended the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" and "Code of Conduct to regulate, monitor and report trading by Designated Persons and their immediate relatives" and published the same on its official website i.e. www.parsvnath.com. Mr. V. Mohan, Sr. Vice President (Legal) & Company Secretary is the Compliance Officer who is responsible for setting forth policies and procedures for monitoring adherence to the aforesaid Codes under the overall supervision of the Board of Directors.

M. Status of Unclaimed Shares

Pursuant to Regulation 39(4) read with Schedule VI to the Listing Regulations, the Company has opened a separate demat suspense account named as "Parsvnath Developers Limited – Unclaimed Securities Suspense Account" and credited the shares of the Company which are remaining unclaimed by the Shareholders under the Initial Public Offer (IPO).

Further, the Company was not required to transfer its unclaimed shares to Investor Education and Protection Fund (IEPF), as per the provisions of Section 124(6) and other applicable provisions, if any, of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules).

The details of such unclaimed shares as on March 31, 2019 are set out in Table 18 below:

Table 18: Details of Unclaimed Shares*

S. No.	Particulars	Number	
		Shareholders	Shares
1	Aggregate Number of Shareholders and the outstanding shares in the aforesaid suspense account lying at the beginning of the year i.e. as at April 1, 2018	364	18,118
2	Number of Shareholders who approached for transfer of shares from the said account during the financial year 2018-19	0	0
3	Number of Shareholders to whom shares were transferred from the said account during the financial year 2018-19	0	0
4	Aggregate Number of Shareholders and the outstanding shares in the said account lying at the end of the year i.e. as at March 31, 2019	364	18,118

*The voting rights on the above-mentioned Shares shall remain frozen till the rightful owners of such shares claim the Shares.

N. Certificate in respect of compliance with Corporate Governance requirements

During the year under review, the Company has complied with respect to corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations. A certificate obtained in this regard from a Practising Company Secretary is forming part of this report.

O. CEO and CFO Certification

The annual certificate, required under Regulation 17(8) read with Part B of Schedule II to the Listing Regulations, duly signed by the Managing Director & CEO and Group Chief Financial Officer on financial reporting and internal controls was placed before the Board of Directors, which has been duly taken on record.

The Managing Director & CEO and Group Chief Financial Officer also give quarterly certificates on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

On behalf of the Board of Directors

Sd/-
Pradeep Kumar Jain
Chairman
DIN : 00333486

Place: Delhi
Date: August 13, 2019

The Board of Directors
Parsvnath Developers Limited
Parsvnath Tower, Near Shahdara Metro Station,
Shahdara, Delhi-110032

DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

I, Sanjeev Kumar Jain, Managing Director and Chief Executive Officer of Parsvnath Developers Limited ("the Company"), hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for Board Members and Senior Management Personnel, for the Financial Year ended March 31, 2019, as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Sd/-
Sanjeev Kumar Jain
Managing Director &
Chief Executive Officer
DIN 00333881

Place: Delhi
Date: August 13, 2019

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER LISTING REGULATIONS, 2015

To
The Members of
Parsvnath Developers Limited
(CIN: L45201DL1990PLC040945)
Parsvnath Tower, Near Shahdara Metro Station,
Shahdara, Delhi - 110032

I have examined the compliance of conditions of Corporate Governance by **Parsvnath Developers Limited** ("the Company") for the year ended on 31st March, 2019 as stipulated in Regulations 17 to 27 and sub-regulation (2) of Regulation 46 and Para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the Directors and the Management, I certify that the Company has complied with the various conditions as specified in Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations.

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

Sd/-
Krishnan Sitaraman
Practicing Company Secretary
M. No. F2087
C.P. No. 21348

Place: New Delhi
Date: August 13, 2019

INDEPENDENT AUDITOR'S REPORT

To The Members of Parsvnath Developers Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Parsvnath Developers Limited** ("the Company"), which comprise the balance sheet as at 31 March 2019, 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 standalone 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 standalone 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 2019, and its loss, total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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 Standalone 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 standalone 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.

Emphasis of Matters

We draw attention to the following matters in the notes to the Ind AS financial statements:

(i) Note 45, which indicates that the Company has incurred cash loss during the current and previous years and there have been delays/defaults in payment of principal and interest on borrowings, statutory liabilities, salaries to employees and other dues by the Company. The management of the Company is of the opinion that no adverse impact is anticipated on future operations of the Company.

(ii) Note 11, which explains management position regarding utilization of Deferred Tax Assets and Minimum Alternate Tax Credit aggregating to ₹ 14,392.45 lacs as at 31 March, 2019. Based on the management assumptions, future business plans and planned sale of some identified assets, management is certain about realization of these assets in coming years.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report

Key audit matters	How the matter was addressed in our audit
Revenue recognition	
The Company has applied Ind AS 115 – 'Revenue from Contracts with Customers' as on the transition date of 1 April, 2018 The Company has applied modified retrospective approach to its real estate projects that were not completed as at 1 April, 2018, accordingly profit recognised on such projects upto 31 March, 2018, amounting to ₹ 63,129.22 lakhs has been de-recognised and debited to retained earnings as at 1 April, 2018 Revenue from sale of constructed properties is recognised at a 'Point of Time', when the Company satisfies the performance obligations, which generally coincides with completion/possession of the unit. Recognition of revenue at a point in time based on satisfaction of performance obligation requires estimates and judgements regarding timing of satisfaction of performance obligation, allocation of cost incurred to segment/units and the estimated cost for completion of some final pending works. Due to judgement and estimates involved, revenue recognition is considered as key audit matter.	Our audit procedures on revenue recognition included the following: • We have evaluated that the Company's revenue recognition policy is in accordance with Ind AS 115 and other applicable accounting standards; • We verified the calculation of adjustment to retained earnings as at 1 April, 2018 on adoption of Ind AS 115 as per modified retrospective method; • We verified performance obligations satisfied by the Company; • We tested flat buyer agreements/sale deeds, occupancy certificates (OC), project completion, possession letters, sale proceeds received from customers to test transfer of controls; • We conducted site visits during the year to understand status of the project and its construction status; • We verified calculation of revenue to be recognised and matching of related cost; • We verified allocation of common cost to units sold and estimates of cost yet to be incurred before final possession of units.
Inventories	
The Company's inventories comprise of projects under construction/ development (Work-in-progress) and unsold flats (finished flats). The inventories are carried 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 is assessed with reference to market value of completed property as at the reporting date less estimated cost to complete. The carrying value of inventories is significant part of the total assets of the Company and involves significant estimates and judgements in assessment of NRV. Accordingly, it has been considered as key audit matter.	Our audit procedures to assess the net realisable value (NRV) of inventories included the following: • We had discussions with management to understand management's process and methodology to estimate NRV, including key assumptions used; • We verified project wise unsold units/area from sales department; • We tested sale price of the units with reference to recently transacted price of same or similar projects and available market information in same geographical area; • To calculate NRV of work-in-progress, we verified the estimated cost to construction to complete the project.
Deferred Tax Assets (DTA)	
The Company has recognised deferred tax assets (DTA) on carried forward business losses and unabsorbed depreciation (refer to note 11 to the financial statements) The Company has recognised DTA considering sale agreements executed with the customers against which revenue will get recognised in future on point of time. Recognition of DTA is based on future business plan and sales projections of the Company, which have been approved by the audit committee and board of directors of the Company. Since recognition of DTA on carried forward losses involves significant judgements and estimates, it has been considered as key audit matter.	Our audit procedures included: • We have discussions with management to understand process over recording and review of deferred tax assets (DTA); • We obtained approved business plan, profitability projects of existing projects and verified mandates given for sale of some identified assets; • We had discussion at separate audit committee meeting with independent directors; • We tested the computation of the amount and the tax rate used for recognition of DTA; • We also verified the disclosures made by the Company in Note 11 to the financial statements.

Key audit matters	**How the matter was addressed in our audit**
Investments in subsidiaries	
The Company has significant investments in its subsidiary companies. These investments are carried at cost. Management reviews whether there are any indicators of impairment of investments. For impairment testing, management has to do assessment of the cash flows of these entities and/or value of underlying assets in these entities. Impairment assessment involves estimates and judgements in forecasting future cash flows. Accordingly, it has been considered as key audit matter.	Our audit procedures included: • We compared carrying value of investment in the books of the Company with net asset value of relevant subsidiaries; • We reviewed business plan and cash flow projections of the subsidiaries and tested assumption; • In cases, where cash flow projections were not available, we verified valuation report of underlying assets held by these subsidiaries; • Verified that required disclosures in respect of these investments has been made in the financial statements.
Customer complaints and litigation	
The Company is having various customers complaints, claims and litigations for delays in execution of its real estate projects. Management estimates the possible outflow of economic resources based on legal opinion and available information on the status of the legal cases. Determination of amount to be provided and disclosure of contingent liabilities involves significant estimates and judgements, therefor it has been considered as key audit matter.	Our audit procedures included: • We had discussion with management and understood management process for identification of claims and its quantification; • We had discussion with Head of Legal department of the Company, to assess the financial impact of legal cases; • We read judgments of the courts and appeals filed by the Company; • We read minutes of the audit committee and the board of directors of the Company to get status of the material litigations; • We verified that, in cases, where management estimates possible flow of economic resources, adequate provision is made in books of account and in other cases, required disclosure is made of contingent liabilities.
Statutory dues and borrowings	
The Company has incurred cash losses during the current and previous year, due to recession in the real estate sector, due to which the Company is facing tight liquidity situation. As a result, there have been delays/defaults in statutory liabilities, principal and interest on borrowings and other dues. Defaults in payment of statutory dues and borrowings involves calculation of interest, penal interest and other penalties on delayed payments and recording of liabilities. It requires significant estimates, hence considered as key audit matter.	Our audit procedures included: • We had discussion with management and understood management process for provision of interest and penalties for delays/defaults in payment of statutory dues and repayment of borrowings and interest thereon; • For statutory dues, we have verified the schedule of statutory liabilities and due date of payments. We verified calculation of interest on delayed payments; • For borrowings, we verified loan agreement and sanction letters to check repayment schedule and penal interest, if any. We verified calculation of interest including penal interest; • We verified disclosures made in the financial statements in respect of defaults in repayment of borrowings and interest thereon; • Defaults in payment of statutory dues is reported in Annexure A to our audit report.

Key audit matters	How the matter was addressed in our audit
Advances for land	
The Company has given advances for procurement of land for construction of real estate projects. These advances are given based on agreements. The Company acquires land through SPVs and paid advances to SPVs for acquisition of land. These advances are tested for recoverability. Due to significant amount and the time involved in square up of these advances, it has been considered as key audit matter.	Our audit procedures included: • We had discussion with management and understood management process for land acquisition; • We have verified the agreements and Memorandum of Understanding (MOUs) with the SPVs; • We verified financial statements of these SPVs to test land held by these entities and its book value; • For advances given to third parties, we have verified the agreements and had discussion with the management on timeline for land procurement.
Related party transaction and balances	
The Company has transaction with related parties. These includes transaction in nature of purchase of development rights, advances for land procurement, security deposits from subsidiaries and loans and advances given to its subsidiaries. These transactions are in ordinary course of business on arm length basis. Due to significance of these transactions, considered as key audit matter.	Our audit procedures included: • Understood Company's policies and procedures for identification of related parties and transactions; • Read minutes of the audit committee and board of directors for recording/approval of related party transactions; • Tested Company's assessment regarding related party transactions are being ordinary course of business and at arm's length; • Tested transaction with underlying contracts and supporting documents; • Obtained confirmation for outstanding balances; • Verified disclosures made in the financial statements in respect of related party transactions and outstanding balances.

Information Other than the Ind AS Standalone 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, Management Discussion and Analysis Report and Corporate Governance Report. These reports are expected to be made available to us after the date of this auditor's report.

- Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- These reports have not been made available to us till date of this audit report, we are unable to comment, whether any information in these reports are materially inconsistent with the standalone financial statements of the Company.

Management's Responsibility for the Standalone 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 standalone 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure A,** a statement on the matters specified in paragraphs 3 and 4 of the Order, 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 standalone 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 35 to the standalone 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 37 to the standalone financial statements;

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company – refer Note 38 to the standalone financial statements.

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

Sd/-
Vinesh Jain
Partner
Membership No.: 087701

Place: Delhi
Date: 29 May 2019

'Annexure A' to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of Parsvnath Developers Limited on the Ind AS financial statements as at and for the year ended 31 March 2019)

i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed 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 and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee 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 and certification of extent of work completion by competent persons, are at reasonable intervals and no material discrepancies were noticed on physical verification.

iii. According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

a. The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.

b. The schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments or receipts of principal amounts and interest.

c. There is no overdue amount remaining outstanding as at the balance sheet date.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities.

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 been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under Section 148 (1) of the Companies Act, 2013, and are of the opinion that, *prima facie,* the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. According to the information and explanations given to us in respect of statutory dues:

a. There have been significant delays in deposit of undisputed statutory dues in respect of Tax deducted at Source and delays in deposit of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax (GST), Cess and other material statutory dues applicable to it to the appropriate authorities.

We are informed that the Company's operations during the year, did not give rise to any liability for Customs Duty and Excise Duty.

b. Undisputed amounts payable in respect of Tax Deducted at Source (TDS), Sales Tax, Goods and Service Tax (GST), Provident Fund and Employees State Insurance in arrears as at 31 March, 2019 for a period of more than six months from the date they became payable are as given below:

Nature of dues	Amount (₹ In lakhs)	Period of default
Tax deducted at source	9,162.79	Financial Years 2015-16, 2016-17, 2017-18 and 2018-19
Work Contract Tax (WCT)	83.18	April - June, 2017
Value Added Tax (VAT)	42.06	Financial years 2008-09 and 2015-16

We are informed that the Company's operations during the year, did not give rise to any liability for Customs Duty and Excise Duty.

c. Details of dues of Income-tax, Sales Tax and Value Added Tax which have not been deposited as on 31 March, 2019 on account of disputes are given below:

Name of statute	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Amount involved (₹ in lacs)
Haryana Value Added Tax Act, 2003	Value Added Tax	Member Tribunal, Haryana	2008-2009 and 2014-15	139.86
UP Trade Tax	Trade Tax	Additional Commissioner (Appeal)	2000-01 to 2002-03, 2006-07 and 2007-08	593.11*
UP VAT	VAT	Additional Commissioner (Appeal)	2007-08 to 2013-14	291.96*
Mumbai VAT	VAT	Dy. Commissioner Sales Tax (Appeals)	2007-08 to 2010-11	332.81
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	2008-09 to 2009-10	708.33
Income Tax Act, 1961	Tax deducted at Source	Commissioner of Income Tax (Appeals)	2007-08 to 2016-17	198.15
Entertainment Tax	Tax	JT Commissioner (Appeals)	1999-2003	4.22

Note: *Net of ₹ 352.93 lacs paid under protest.

There are no dues in respect of Service Tax and GST which have not been deposited as on 31 March, 2019 on account of any disputes. We are informed that the Company's operations during the year, did not give rise to any Customs Duty and Excise Duty.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders, except as below:

Particulars	Amount of default of repayment (₹ in lacs)		Period of default
	Principal	Interest	
Dues to: Financial Institution:			
LIC of India	12,491.13	8,101.51	1 to 1916 days

ix The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purpose for which they were raised, other than temporary deployment pending application.

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 any managerial remuneration during the year.

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 the 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.:000050N/N500045

Sd/-
Vinesh Jain
Partner
Membership No.: 087701
Place: Delhi
Date: 29 May 2019

'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 Developers Limited on the Ind AS financial statements as at and for the year ended 31 March 2019)

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")

1. We have audited the internal financial controls with reference to financial statements of **Parsvnath Developers Limited** ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls 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. 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

3. 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.

4. 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.

5. 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

6. 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

7. 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

8. 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 2019, 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

Sd/-
Vinesh Jain
Partner
Membership No.: 087701

Place: Delhi
Date: 29 May 2019

STANDALONE BALANCE SHEET AS AT MARCH 31, 2019

(₹ in Lakhs)

	Notes	As at 31-March-19	As at 31-March-18
ASSETS			
1 Non-current assets			
a. Property, plant and equipment	5	335.80	521.16
b. Investment property	6	1,576.76	1,607.19
c. Other intangible assets	7	1,982.46	15,053.48
d. Intangible assets under development	7	39,407.91	59,788.56
e. Financial assets			
i. Investments	8	91,710.58	52,766.41
ii. Loans	9	12,327.37	11,376.71
iii. Other financial assets	10	1,743.19	2,097.16
f. Deferred tax assets (Net)	11	14,392.45	10,026.45
g. Tax assets (Net)	17	1,037.92	2,124.09
h. Other non-current assets	12	26,005.06	27,171.38
Total non-current assets		**1,90,519.50**	**1,82,532.59**
2 Current assets			
a. Inventories	13	3,95,481.49	2,98,437.99
b. Financial assets			
i. Trade receivables	14	26,924.47	58,646.77
ii. Cash and cash equivalents	15	2,944.51	463.70
iii. Bank balances other than (ii) above	16	5,593.80	5,595.94
iv. Loans	9	4,330.80	1,351.95
v. Other financial assets	10	23,401.19	24,007.51
c. Other current assets	12	11,875.35	43,181.69
d. Assets held for sale		41,554.83	-
Total current assets		**5,12,106.44**	**4,31,685.55**
Total assets		**7,02,625.94**	**6,14,218.14**
EQUITY AND LIABILITIES			
1 Equity			
a. Equity share capital	18	21,759.06	21,759.06
b. Other equity	19	1,34,937.60	2,22,373.47
Total Equity		**1,56,696.66**	**2,44,132.53**
Liabilities			
2 Non-current liabilities			
a. Financial liabilities			
i. Borrowings	20	82,279.32	1,11,046.05
ii. Other financial liabilities	21	8,770.15	10,475.06
b. Provisions	22	440.19	513.74
c. Other non-current liabilities	23	1,026.50	611.09
Total non-current liabilities		**92,516.16**	**1,22,645.94**
3 Current liabilities			
a. Financial liabilities			
i. Borrowings	24	38,356.61	36,735.09
ii. Trade Payables	25		
- Total outstanding dues of micro enterprises and small enterprises		148.51	120.36
- Total outstanding dues of creditors other than micro enterprises and small enterprises		70,910.50	68,750.31
iii. Other financial liabilities	21	95,931.25	1,07,683.27
b. Provisions	22	15.03	33.70
c. Other current liabilities	23	2,48,051.22	34,116.94
Total current liabilities		**4,53,413.12**	**2,47,439.67**
Total liabilities		**5,45,929.28**	**3,70,085.61**
Total equity and liabilities		**7,02,625.94**	**6,14,218.14**
See accompanying notes to the financial statements	1-67		

In terms of our report attached

For S. N. Dhawan & Co. LLP
Chartered Accountants
(Registration No 000050N/N500045)

For and On Behalf of the Board of Directors

Sd/-
Vinesh Jain
Partner
(Membership No. 087701)

Sd/-
Pradeep Kumar Jain
Chairman
(DIN 00333486)

Sd/-
Sanjeev Kumar Jain
Managing Director & CEO
(DIN 00333881)

Sd/-
M. C. Jain
Group Chief Financial Officer

Sd/-
V. Mohan
Company Secretary

Place : Delhi
Date : 29 May, 2019

Place : Delhi
Date : 29 May, 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in Lakhs)

	Notes	Year ended 31-March-19	Year ended 31-March-18
I. Revenue from operations	26	82,117.99	10,844.34
II. Other income	27	1,239.31	5,196.05
III. Total income (I + II)		**83,357.30**	**16,040.39**
IV. Expenses			
a. Cost of land / development rights		5,915.37	14,044.05
b. Cost of materials consumed	28	841.34	1,717.48
c. Purchases of stock-in-trade		49.50	758.00
d. Contract cost, labour and other charges		6,260.54	5,862.93
e. Changes in inventories of finished goods and work-in-progress	29	72,823.03	(14,927.68)
f. Employee benefits expense	30	2,497.28	3,124.57
g. Finance costs	31	16,372.15	12,750.29
h. Depreciation and amortisation expense	32	943.83	1,079.23
i. Other expenses	33	4,752.81	5,727.30
Total expenses (IV)		**1,10,455.85**	**30,136.17**
V. Profit/(loss) before tax (III-IV)		**(27,098.55)**	**(14,095.78)**
VI. Tax expense/(benefit):	34		
a. Current tax		-	-
b. Tax adjustment for earlier years		1,537.82	-
c. Deferred tax		(4,356.57)	(2,360.93)
		(2,818.75)	**(2,360.93)**
VII. Profit/(loss) for the year (V-VI)		**(24,279.80)**	**(11,734.85)**
VIII. Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
a) Remeasurements of the defined benefit plans		(36.29)	(49.15)
(ii) Income tax relating to items that will not be reclassified to profit or loss	34	(9.44)	(12.78)
Total other comprehensive income [A(i-ii)]		**(26.85)**	**(36.37)**
IX. Total comprehensive income for the year (VII + VIII)		**(24,306.65)**	**(11,771.22)**
X. Earnings per equity share (face value ₹ 5 per share)	58		
a. Basic (in ₹)		(5.58)	(2.70)
b. Diluted (in ₹)		(5.58)	(2.70)
See accompanying notes to the financial statements	1-67		

In terms of our report attached

For S. N. Dhawan & Co. LLP
Chartered Accountants
(Registration No 000050N/N500045)

Sd/-
Vinesh Jain
Partner
(Membership No. 087701)

Place : Delhi
Date : 29 May, 2019

For and On Behalf of the Board of Directors

Sd/-
Pradeep Kumar Jain
Chairman
(DIN 00333486)

Sd/-
Sanjeev Kumar Jain
Managing Director & CEO
(DIN 00333881)

Sd/-
M. C. Jain
Group Chief Financial Officer
Place : Delhi
Date : 29 May, 2019

Sd/-
V. Mohan
Company Secretary

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in Lakhs)

	Year ended 31 March 19	Year ended 31 March 18
A. Cash flow from operating activities		
Profit/(loss) before tax (including OCI)	(27,134.84)	(14,144.93)
Adjustments for:		
Depreciation and amortisation expense	943.83	1,079.23
Profit on sale of property, plant and equipment (net)	(89.43)	(41.66)
Profit on sale of non-current investments	-	(3,830.73)
Finance costs	16,372.15	12,750.29
Interest income	(1,121.31)	(1,312.69)
Excess provisions written back	(18.28)	-
Share of loss from joint venture	0.24	0.23
Operating profit/(loss) before working capital changes	**(11,047.64)**	**(5,500.26)**
Movement in working capital:		
Adjustments for (increase)/decrease in operating assets:		
Inventories	72,823.03	(14,798.98)
Trade receivables	(3,877.08)	(59.26)
Loans - non current	(950.66)	(1,182.63)
Loans - current	(2,978.85)	(819.28)
Other financial assets - non current	353.98	1,592.08
Other financial assets - current	(83.33)	(28.01)
Other assets - non current	1,166.32	6,079.43
Other assets - current	5,971.07	(3,730.41)
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	2,206.62	5,561.31
Other financial liabilities - non current	(1,704.91)	2,109.96
Other financial liabilities - current	(16,172.23)	(6,531.97)
Other liabilities - non current	415.41	(38.35)
Other liabilities - current	76,223.83	3,499.06
Provisions - non current	(73.55)	97.57
Provisions - current	(18.67)	(6.04)
Cash generated from/(used in) operations	**1,22,253.34**	**(13,755.78)**
Income taxes paid (net)	(451.65)	(353.75)
Net cash flow from/(used in) operating activities (A)	**1,21,801.69**	**(14,109.53)**
B. Cash flow from investing activities		
Payments for Property, Plant and Equipments , Investment Properties and intangible assets including under development	(8,905.95)	(7,071.25)
Proceeds from sale of Property, Plant and Equipments, intangible assets and investment property	164.18	78.35
(Increase)/decrease in bank balances not considered as cash and cash equivalents		
- Placed during the year	(5,699.29)	(4,964.09)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in Lakhs)

			Year ended 31 March 19	Year ended 31 March 18
	- Matured during the year		5,701.43	4,724.30
	Purchase of non-current investments			
	- Subsidiaries		(10,089.38)	(1.00)
	- Others		(28,855.03)	(0.10)
	Redemption/sale of non-current investments			
	- Subsidiaries		-	4,500.00
	Interest received		1,810.96	1,180.16
	Net cash flow from/(used in) investing activities	**(B)**	**(45,873.08)**	**(1,553.63)**
C.	**Cash flow from financing activities**			
	Interest paid		(44,945.65)	(28,118.51)
	Proceeds from / (repayment of) working capital borrowings		(1,088.12)	(771.93)
	Proceeds from other short-term borrowings		37,954.39	867.94
	Repayment of other short-term borrowings		(35,244.75)	(3,937.17)
	Proceeds from long-term borrowings		93,473.18	64,357.93
	Repayment of long-term borrowings		(1,23,596.85)	(16,784.58)
	Net cash flow from/(used in) financing activities	**(C)**	**(73,447.80)**	**15,613.68**
D.	Net increase/(decrease) in Cash and cash equivalents	**(A+B+C)**	2,480.81	(49.48)
E.	Cash and cash equivalents at the beginning of the year		463.70	513.18
F.	**Cash and cash equivalents at the end of the year**		**2,944.51**	**463.70**

In terms of our report attached

For S. N. Dhawan & Co. LLP
Chartered Accountants
(Registration No 000050N/N500045)

Sd/-
Vinesh Jain
Partner
(Membership No. 087701)

Place : Delhi
Date : 29 May, 2019

For and On Behalf of the Board of Directors

Sd/-
Pradeep Kumar Jain
Chairman
(DIN 00333486)

Sd/-
Sanjeev Kumar Jain
Managing Director & CEO
(DIN 00333881)

Sd/-
M. C. Jain
Group Chief Financial Officer

Sd/-
V. Mohan
Company Secretary

Place : Delhi
Date : 29 May, 2019

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2019

a Equity Share Capital (₹ in Lakhs)

	Amount
Balance as at 31 March, 2017	21,759.06
Changes i n equity share capital during the year	-
Balance as at 31 March, 2018	21,759.06
Changes in equity share capital during the year	-
Balance as at 31 March, 2019	**21,759.06**

b. Other Equity **(₹ in Lakhs)**

	Reserves and Surplus				Other Comprehensive Income	Total
	Securities premium	General Reserve	Debenture redemption reserve	Retained earnings	Remeasurment of defined benefit plan	
Balance as at 31 March, 2017	**1,40,711.41**	**7,960.00**	**9,302.50**	**76,101.05**	**69.73**	**2,34,144.69**
Profit/(loss) for the year	-	-	-	(11,734.85)	-	**(11,734.85)**
Other comprehensive income for the year, net of income tax	-	-	-	-	(36.37)	**(36.37)**
Total comprehensive income for the year	**-**	**-**	**-**	**(11,734.85)**	**(36.37)**	**(11,771.22)**
Transferred from retained earnings	-	-	225.00	-	-	**225.00**
Transferred to Debenture redemption reserve	-	-	-	225.00	-	**225.00**
Balance as at 31 March, 2018	**1,40,711.41**	**7,960.00**	**9,527.50**	**64,141.20**	**33.36**	**2,22,373.47**
Profit/(loss) for the year	-	-	-	(24,279.80)	-	**(24,279.80)**
Other comprehensive income for the year, net of income tax	-	-	-	-	(26.85)	**(26.85)**
Total comprehensive income for the year	**-**	**-**	**-**	**(24,279.80)**	**(26.85)**	**(24,306.65)**
Less: Adjustments due to adoption of IND AS-115 as at 01.04.2018 (see note 47)	-	-	-	63,129.22	-	**63,129.22**
Transferred from Debenture redemption reserve	-	-	-	6,785.30	-	**6,785.30**
Transferred to retained earnings	-	-	6,785.30	-	-	**6,785.30**
Balance as at 31 March, 2019	**1,40,711.41**	**7,960.00**	**2,742.20**	**(16,482.52)**	**6.51**	**1,34,937.60**

See accompanying notes to the financial statements 1-67

In terms of our report attached

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

For and On Behalf of the Board of Directors

Sd/-
Vinesh Jain
Partner
(Membership No. 087701)

Sd/-
Pradeep Kumar Jain
Chairman
(DIN 00333486)

Sd/-
Sanjeev Kumar Jain
Managing Director & CEO
(DIN 00333881)

Sd/-
M. C. Jain
Group Chief Financial Officer

Sd/-
V. Mohan
Company Secretary

Place : Delhi
Date : 29 May, 2019

Place : Delhi
Date : 29 May, 2019

1. CORPORATE INFORMATION

Parsvnath Developers Limited ("the Company") was set up as a Company registered under the Companies Act, 1956. It was incorporated on 24 July, 1990. The Company is primarily engaged in the business of promotion, construction and development of integrated townships, residential and commercial complexes, multi-storeyed buildings, flats, houses, apartments, shopping malls, IT parks, hotels, SEZ, etc.

The Company is a public limited company incorporated and domiciled in India. The address of its corporate office is Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi - 110 032. The Company is listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

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 the Company will collect the consideration to which it will be entitled in exchange of goods or services that will be transferred to the customers taking into account contractually defined terms of payments. Revenue excludes taxes and duties collected on behalf of the Government and is net of customer returns, rebates, discounts and other similar allowances.

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

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

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

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

v. Income from construction contracts is recognised by reference to the stage of completion of the contract activity at the reporting date of the financial statements. The related costs there against are charged to the Statement of Profit and Loss. The stage of completion of the contract is measured by reference to the proportion that contract cost incurred for work performed up to the reporting date bears to the estimated total contract cost for each contract. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

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

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

viii Income from rent is recognised on accrual basis in accordance with the terms of agreement with the lessee.

ix. Income from maintenance charges is recognised on accrual basis.

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

2.4 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

Payments for 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 the lessor's expected inflationary cost increases, lease expense is recognised as per the contractual terms. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are 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.

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

2.6 Employee benefits

a. Defined contribution plan

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

b. Defined benefit plan

For defined benefit plan in the form of gratuity, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is not reclassified to profit or loss in subsequent periods. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost comprising current service costs, past service costs, gains and losses on curtailments and settlements;
- net interest expense or income; and
- remeasurement

c. Short-term and other long-term employee benefits

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

Accumulated leaves expected to be carried forward beyond twelve months, are treated as long-term employee benefits. Liability for such long term benefit is provided based on the actuarial valuation using the projected unit credit method at year-end.

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.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) is payable when the taxable profit is lower than the book profit. Taxes paid under MAT are available as a set off against regular income tax payable in subsequent years. MAT paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period i.e the period for which MAT credit is allowed to be carried forward. MAT credit is recognised as an asset and is shown as 'MAT Credit Entitlement'. The Company reviews the 'MAT Credit Entitlement' asset at each reporting date and write down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

2.8 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.

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'

2.9 Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost includes purchase/construction cost, directly attributable cost and borrowing costs, if the recognition criteria are met. The fair value of investment property is disclosed in the notes.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal.

Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

2.10 Depreciation on property, plant and equipment and investment property

Depreciation on property, plant and equipment and investment property is provided on straight line basis as per the useful life prescribed in Schedule II to the Companies Act, 2013, except in respect of Shuttering and Scaffolding, in which case the life of the asset has been assessed on technical advice, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technology changes and maintenance support etc. Accordingly the useful life of the assets taken is as under:

Asset	Useful life
Buildings	60 years
Plant and equipment	8 years
Shuttering and scaffolding	6 years
Furniture and fixture	8 years
Vehicles	8 years
Office equipment	5 years
Computer	3 years
Investment properties (Buildings)	60 years

Free hold land is not depreciated.

2.11 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.

2.12 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.

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.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

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.

2.17 Cost of revenue

Cost of constructed properties includes cost of land/ development rights, construction and development costs, borrowing costs and direct overheads, which is charged to the statement of profit and loss based on the corresponding revenue recognized from sale of unit on proportionate basis.

2.18 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.

2.19 Foreign currency translations

The financial statements are presented in Indian Rupee, the functional currency of the Company.

Transactions in foreign currencies entered into by the Company are recorded at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Foreign currency monetary items of the Company, outstanding at the reporting date are restated at the exchange rates prevailing at the reporting date. Non-monetary items denominated in foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

2.20 Current/non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period;

- Cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

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

All other liabilities are classified as non-current.

2.21 Operating cycle

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

2.22 Financial instruments

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

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

2.23 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.

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling 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 or a financial guarantee.

Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading

Financial assets at FVTPL are measured at fair value at the end of each reporting period, 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 dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

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 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.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.24 Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

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

Financial liabilities

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

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

Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

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

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

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

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

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

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

Financial liabilities subsequently measured at amortised cost

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

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

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Commitments to provide a loan at a below-market interest rate

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

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.

3. 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.

3.1 Revenue recognition

Recognition of revenue at a point in time based on satisfaction of performance obligation requires estimates and judgements regarding timing of satisfaction of performance obligation, allocation of cost incurred to segment/units and the estimated cost for completion of some final pending works.

3.2 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. The effect of changes is recognised in the financial statements during the period in which such changes are determined.

3.3 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 audit committee and the board of directors of the Company.

3.4 Valuation of investments in subsidiaries

Investments in subsidiaries are carried at cost. The management estimates the indicators of impairment of such investments. This requires assessment of key assumptions used in calculation of cash flows, sale price, discount rate etc., which may effect the estimation of impairment in value of investments.

3.5 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. Classification of property as investment property or inventory

b. Measurement of defined benefit obligations

c. Useful life of property, plant and equipment

d. Measurement of contingent liabilities and expected cash outflows

e. Provision for diminution in value of long-term investments

f. Provision for expected credit losses

g. Impairment provision for intangible assets

4. Recent accounting pronouncements

a. Accounting Standard issued but not yet effective:

Ind AS 116 – Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116 Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor.

Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit and Loss. The Standard also contains enhanced disclosure requirements for lessees. There is no significant change in accounting requirement for lessor. This accounting standard is applicable for accounting period commencing on or after 1 April 2019, the Company is evaluating the impact of this new accounting standard on the financial statements.

b. Amendments to existing accounting standards:

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

i. Ind AS 12 Appendix C - Uncertainty over Income Tax Treatments

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The Company is currently evaluating the effect of this amendment on the financial statements.

ii. Amendment to Ind AS 12 – Income taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

These amendments will be effective for accounting period beginning on or after April 1, 2019. These amendments are not expected to have any significant impact on the Company's financial statements.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

5 Property, plant and equipment

(₹ in Lakhs)

	As at 31-March-19	As at 31-March-18
Carrying amounts of :		
Land and building		
i. Own use	12.22	71.25
ii. Given under operating lease	39.13	43.12
Plant and equipment	1.03	1.67
Furniture and fixture	1.51	3.18
Vehicles	270.64	388.27
Office equipment	9.95	10.39
Computers	1.32	3.28
	335.80	**521.16**

(₹ in Lakhs)

	Land and building		Plant and equipment	Shuttering and scaffolding	Furniture and fixture	Vehicles	Office equipment	Computers	Total
	Own use	Given under operating lease							
Deemed cost :									
Balance as at 31 March, 2017	**75.94**	**55.09**	**115.05**	**0.97**	**83.14**	**733.15**	**42.23**	**9.18**	**1,114.75**
Additions	-	-	-	-	-	37.44	1.40	2.54	**41.38**
Disposals	-	-	-	-	-	29.26	-	-	**29.26**
Balance as at 31 March, 2018	**75.94**	**55.09**	**115.05**	**0.97**	**83.14**	**741.33**	**43.63**	**11.72**	**1,126.87**
Additions	-	-	-	-	-	-	4.63	0.09	**4.72**
Disposals	62.47	-	-	-	-	44.09	-	-	**106.56**
Balance as at 31 March, 2019	**13.47**	**55.09**	**115.05**	**0.97**	**83.14**	**697.24**	**48.26**	**11.81**	**1,025.03**
Accumulated depreciation :									
Balance as at 31 March, 2017	**3.13**	**7.97**	**106.01**	**0.97**	**78.12**	**260.36**	**28.77**	**5.11**	**490.44**
Depreciation expense	1.56	4.00	7.37	-	1.84	106.96	4.47	3.33	**129.53**
Elimination on disposals of assets	-	-	-	-	-	14.26	-	-	**14.26**
Balance as at 31 March, 2018	**4.69**	**11.97**	**113.38**	**0.97**	**79.96**	**353.06**	**33.24**	**8.44**	**605.71**
Depreciation expense	1.00	3.99	0.64	-	1.67	100.91	5.07	2.05	**115.33**
Elimination on disposals of assets	4.44	-	-	-	-	27.37	-	-	**31.81**
Balance as at 31 March, 2019	**1.25**	**15.96**	**114.02**	**0.97**	**81.63**	**426.60**	**38.31**	**10.49**	**689.23**
Carrying amount :									
Balance as at 31 March, 2016	**72.81**	**47.12**	**9.04**	-	**5.02**	**472.79**	**13.46**	**4.07**	**624.31**
Additions	-	-	-	-	-	37.44	1.40	2.54	**41.38**
Disposals	-	-	-	-	-	15.00	-	-	**15.00**
Depreciation expense	1.56	4.00	7.37	-	1.84	106.96	4.47	3.33	**129.53**
Balance as at 31 March, 2018	**71.25**	**43.12**	**1.67**	**-**	**3.18**	**388.27**	**10.39**	**3.28**	**521.16**
Additions	-	-	-	-	-	-	4.63	0.09	**4.72**
Disposals	58.03	-	-	-	-	16.72	-	-	**74.75**
Depreciation expense	1.00	3.99	0.64	-	1.67	100.91	5.07	2.05	**115.33**
Balance as at 31 March, 2019	**12.22**	**39.13**	**1.03**	**-**	**1.51**	**270.64**	**9.95**	**1.32**	**335.80**

Note:

i. For details of assets charges as security, refer note 20 and 24

6. Investment property

(₹ in Lakhs)

	As at 31-March-19	As at 31-March-18
Freehold land	32.81	32.81
Buildings	1,543.95	1,574.38
Completed investment properties	**1,576.76**	**1,607.19**

(₹ in Lakhs)

	Freehold land		Buildings		Total	
	As at 31-March-19	As at 31-March-18	As at 31-March-19	As at 31-March-18	As at 31-March-19	As at 31-March-18
Cost or deemed Cost						
Balance at the beginning of the year	32.81	32.81	1,665.76	1,688.32	1,698.57	1,721.13
Additions	-	-	-	-	-	-
Disposals	-	-	-	22.56	-	22.56
Balance at the end of the year	**32.81**	**32.81**	**1,665.76**	**1,665.76**	**1,698.57**	**1,698.57**
Accumulated depreciation						
Balance at the beginning of the year	-	-	91.38	61.80	91.38	61.80
Additions	-	-	-	-	-	-
Disposals	-	-	-	0.87	-	0.87
Depreciation expense	-	-	30.43	30.45	30.43	30.45
Balance at the end of the year	**-**	**-**	**121.81**	**91.38**	**121.81**	**91.38**
Carrying amount						
Balance at the beginning of the year	32.81	32.81	1,574.38	1,626.52	1,607.19	1,659.33
Additions	-	-	-	-	-	-
Disposals	-	-	-	21.69	-	21.69
Depreciation expense	-	-	30.43	30.45	30.43	30.45
Balance at the end of the year	**32.81**	**32.81**	**1,543.95**	**1,574.38**	**1,576.76**	**1,607.19**

Fair Value of the Company's investment properties

The investment properties consist of 76 No's (previous year 76 No's) commercial properties in India.

As at 31 March 2019 and 31 March, 2018, the fair values of the properties are ₹ 3070.46 lakhs and ₹ 2,579.02 lakhs respectively. These valuations are based on valuations performed by Chartered Engineers, specialist in valuing these types of investment properties.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Details of the investment properties and information about the fair value hierarchy as at 31 March, 2019 and 31 March, 2018 are as follows:

(₹ in Lakhs)

	Level 2	Level 3	As at 31-March-19
Commercial Properties located in India	-	3,070.46	3,070.46
Total	**-**	**3,070.46**	**3,070.46**

(₹ in Lakhs)

	Level 2	Level 3	As at 31-March-18
Commercial Properties located in India	-	2,579.02	2,579.02
Total	**-**	**2,579.02**	**2,579.02**

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

7. Other intangible assets

(₹ in Lakhs)

	As at 31-March-19	As at 31-March-18
Assets on Build-operate-transfer (BOT) basis	1,982.46	15,053.48
Total	**1,982.46**	**15,053.48**
Intangible assets under development	39,407.91	59,788.56
Total	**39,407.91**	**59,788.56**

(₹ in Lakhs)

	Assets on BOT basis		
	Own use	Given under operating lease	Total
Deemed cost			
Balance as at 31 March, 2017	-	17,217.37	**17,217.37**
Additions from internal developments	-	-	**-**
Disposals	-	-	**-**
Balance as at 31 March, 2018	**-**	**17,217.37**	**17,217.37**
Additions from internal developments	-	4,626.58	**4,626.58**
Disposals	-	-	**-**
Transferred to Assets held for sale	-	19,395.62	**19,395.62**
Balance as at 31 March, 2019	**-**	**2,448.33**	**2,448.33**
Accumulated amortisation			
Balance as at 31 March, 2017	-	1,244.64	**1,244.64**
Amortisation expense	-	919.25	**919.25**
Disposal	-	-	**-**
Balance as at 31 March, 2018	**-**	**2,163.89**	**2,163.89**
Amortisation expense	-	798.07	**798.07**
Disposal	-	-	**-**
Transferred to Assets held for sale	-	2,496.09	**2,496.09**
Balance as at 31 March, 2019	**-**	**465.87**	**465.87**
Carrying amount			
Balance as at 31 March, 2017	-	15,972.73	**15,972.73**
Additions from internal developments	-	-	**-**
Amortisation expense	-	919.25	**919.25**
Disposals	-	-	**-**
Balance as at 31 March, 2018	**-**	**15,053.48**	**15,053.48**
Additions from internal developments	-	4,626.58	**4,626.58**
Amortisation expense	-	798.07	**798.07**
Disposals	-	-	**-**
Transferred to Assets held for sale	-	16,899.53	16,899.53
Balance as at 31 March, 2019	**-**	**1,982.46**	**1,982.46**

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

	Intangible assets under development
Balance as at 31 March, 2017	52,758.69
Additions from internal developments	7,029.87
Disposals	-
Balance as at 31 March, 2018	**59,788.56**
Additions from internal developments	4,274.65
Disposals	-
Transferred to Assets held for sale	24,655.30
Balance as at 31 March, 2019	**39,407.91**

Notes:

Significant 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.

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'

8. Investments - Non current (Unquoted) **(₹ in Lakhs)**

	As at 31-March-19	As at 31-March-18
A. Investments carried at cost		
i. Subsidiaries		
a. Equity instruments	27,528.65	27,282.40
b. Preference shares	9,683.40	9,683.40
c. Debentures/bonds	23,489.92	13,646.79
Total - subsidiaries	**60,701.97**	**50,612.59**
ii. Joint venture	813.73	813.97
iii. Associates	291.60	291.60
B. Investments at fair value through profit and loss		
i. Other entities		
a. Equity instruments	1,048.25	1,048.25
C. Investments carried at amortised cost		
i. Other entities		
a. Debentures/bonds	28,855.03	-
Total (A+B+C)	**91,710.58**	**52,766.41**

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

Details of investments:

	As at 31-March-19		As at 31-March-18	
	Qty.	**₹ in lakhs**	**Qty.**	**₹ in lakhs**
I Investments at cost				
A. Investments carried at cost - Subsidiaries				
(I) Equity instruments				
a. Parsvnath Landmark Developers Private Limited $	27,20,101	6,165.05	27,20,101	6,165.05
Class 'A' Equity Shares of ₹ 10 each fully paid-up				
b. Parsvnath Landmark Developers Private Limited $	5,61,951	1,432.98	5,61,951	1,432.98
Class 'B' Equity Shares of ₹ 10 each fully paid-up				
c. Parsvnath Infra Limited	2,60,49,400	2,604.94	2,60,49,400	2,604.94
Equity Shares of ₹ 10 each fully paid-up				
d. Parsvnath Film City Limited	17,50,000	175.00	17,50,000	175.00
Equity Shares of ₹ 10 each fully paid-up				
e. PDL Assets Limited @	60,000	6.00	60,000	6.00
Equity Shares of ₹ 10 each fully paid-up				
f. Parsvnath Hotels Limited	54,00,000	1,350.00	54,00,000	1,350.00
Equity Shares of ₹ 10 each fully paid-up				
g. Parsvnath Telecom Private Limited	10,30,000	103.00	10,30,000	103.00
Equity Shares of ₹ 10 each fully paid-up				
h. Parsvnath Developers Pte. Limited	4,56,920	145.49	4,56,920	145.49
Equity Shares of SGD 1 each fully paid-up				
i. Primetime Realtors Private Limited $	10,000	1.00	10,000	1.00
Equity Shares of ₹ 10 each fully paid-up				
j. Parsvnath Hessa Developers Private Limited	49,60,040	11,755.90	49,60,040	11,755.90
Equity Shares of ₹ 10 each fully paid-up				
k. Parsvnath Promoters and Developers Private Limited *	1,69,326	1,657.99	1,69,326	1,657.99
Equity Shares of ₹ 10 each fully paid-up				
l. Parsvnath Estate Developers Private Limited @	37,75,000	377.50	37,75,000	377.50
Class 'A' Equity Shares of ₹ 10 each fully paid-up				
m. Parsvnath Estate Developers Private Limited @	12,25,000	121.40	12,25,000	121.40
Class 'B' Equity Shares of ₹ 10 each fully paid-up				
n. Parsvnath Buildwell Private Limited	9,91,000	60.39	5,01,000	50.10
Class 'A' Equity Shares of ₹ 10 each fully paid-up				
o. Parsvnath Buildwell Private Limited	1,00,000	224.96	-	-
Class 'B' Equity Shares of ₹10 each fully paid-up				
p. Parsvnath Buildwell Private Limited	90,000	180.00	90,000	180.00
Class 'C' Equity Shares of ₹ 10 each fully paid-up				
q. Parsvnath Rail Land Project Private Limited # €	1,20,000	1,145.00	1,20,000	1,145.00
Equity Shares of ₹ 10 each fully paid-up				
r. Parsvnath HB Projects Private Limited	25,000	2.50	25,000	2.50
Equity Shares of ₹ 10 each fully paid-up				

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

	As at 31-March-19		As at 31-March-18	
	Qty.	₹ in lakhs	Qty.	₹ in lakhs
s. Parsvnath Realty Ventures Limited @	50,000	5.00	50,000	5.00
Equity Shares of ₹ 10 each fully paid-up				
t. Vasavi PDL Ventures Private Limited	25,500	2.55	25,500	2.55
Equity Shares of ₹ 10 each fully paid-up				
u. Farhad Realtors Private Limited	10,000	1.00	10,000	1.00
Equity Shares of ₹ 10 each fully paid-up				
v. Jarul Promoters & Developers Private Limited @				
Equity Shares of ₹ 10 each fully paid-up	1,00,000	10.00	-	-
w. Suksma Buildtech Private Limited				
Equity Shares of ₹ 10 each fully paid-up	10,000	1.00	-	-
		27,528.65		**27,282.40**

	As at 31-March-19		As at 31-March-18	
	Qty.	₹ in lakhs	Qty.	₹ in lakhs
B. Investments carried at cost - subsidiaries				
(I) Preference shares				
a. Parsvnath Buildwell Private Limited	4,84,170	9,683.40	4,84,170	9,683.40
0.000001% Optionally Convertible Preference Shares of ₹ 100 each fully paid-up				
		9,683.40		**9,683.40**
(II) Debentures				
a. Parsvnath Promoters and Developers Private Limited	9,34,30,096	9,343.01	9,34,30,096	9,343.01
16.00% Optionally convertible Debentures of ₹ 10 each fully paid-up				
b. Parsvnath Buildwell Private Limited	10,83,593	1,083.59	10,83,593	1,083.59
15.50% Fully Convertible Debentures of ₹ 100 each fully paid-up				
c. Parsvnath Buildwell Private Limited	87,51,000	9,843.13	-	-
15.50% Series A fully Convertible Debentures of ₹100 each fully paid up				
d. Parsvnath Rail Land Project Private Limited #	3,09,634	3,220.19	3,09,634	3,220.19
17.50% Series 'B' Optionally convertible Debentures of ₹ 1040 each fully paid-up				
		23,489.92		**13,646.79**
C. Investments carried at cost - Joint Venture				
(I) Association of Persons (AOP)				
a. Ratan Parsvnath Developers (AOP)		813.73		813.97
		813.73		**813.97**
D. Investments carried at cost - Associates				
(I) Equity instruments				
a. Amazon India Limited	25,000	212.50	25,000	212.50
Equity Shares of ₹ 10 each fully paid-up				
b. Home Life Real Estate Private Limited	7,75,000	77.50	7,75,000	77.50
Equity Shares of ₹ 10 each fully paid-up				

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

	As at 31-March-19		As at 31-March-18	
	Qty.	₹ in lakhs	Qty.	₹ in lakhs
c. Vardaan Buildtech Private Limited	16,000	1.60	16,000	1.60
Equity Shares of ₹ 10 each fully paid-up				
		291.60		**291.60**
E. Investments at fair value through profit and loss				
Other entities				
(I) Equity instruments				
a. Delhi Stock Exchange Limited	14,96,500	1,047.55	14,96,500	1,047.55
Equity Shares of ₹ 1 each fully paid-up				
b. Nakshatra Residency Private Limited	5,000	0.50	5,000	0.50
Equity Shares of ₹ 10 each fully paid-up				
c. Aadi Best Consortium Private Limited	1,000	0.10	1,000	0.10
Equity Shares of ₹ 10 each fully paid-up				
d. Riya Garments Private Limited	1,000	0.10	1,000	0.10
Equity Shares of ₹ 10/- each fully paid-up				
		1,048.25		**1,048.25**
F. Investments carried at amortised cost - Other entities				
(I) Debentures				
a. Fortune Assets Private Limited	37,500	28,855.03	-	-
0.01% Optionally convertible Debentures of ₹ 1,00,000 each fully paid-up				
		28,855.03		**-**
TOTAL INVESTMENTS CARRYING VALUE (A+B+C+D+E+F)		**91,710.58**		**52,766.41**
Aggregate book value of quoted investments		-		-
Aggregate market value of quoted investments		-		-
Aggregate carrying value of unquoted investments		**91,710.58**		**52,766.41**

* Investment in these shares are subject to non disposal undertakings furnished in favour of Investors for investments made in the respective companies.

Parsvnath Rail Land project Private limited is considered as a Subsidiary on the basis of voting Power in the said Company.

@ 49% of the Equity Shares are pledged with non-banking financial companies / debenture trustees towards securities against loans taken / debentures issued.

€ 71,916 shares out of 1,20,000 are pledged as a security for Term Loan from NBFC.

$ The securities have been pledged with non-banking financial companies / debenture trustees towards securities against loans taken / debentures issued.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

Details of subsidiaries, joint venture and associates

Sr. no.	Name of Company	Principal activity	Place of incorporation and principal place of business		Proportion of ownership interest / voting rights held by the Company	
					As at 31-March-19	As at 31-March-18
A. SUBSIDIARIES						
1	Parsvnath Landmark Developers Private Limited	Real estate	Delhi	Delhi	100%	100%
2	Parsvnath Infra Limited	Infrastructure	Delhi	Pan India	94.87%	94.87%
3	Parsvnath Hotels Limited	Hotel	Delhi	Shirdi	100%	100%
4	Parsvnath Hessa Developers Private Limited	Real estate	Delhi	Gurgaon	100%	100%
5	Parsvnath Estate Developers Private Limited	Real estate - Leasing	Delhi	Delhi	100%	100%
6	Parsvnath Promoters & Developers Private Limited	Real estate	Delhi	Delhi	51%	51%
7	Parsvnath Film City Limited	Non-operative	Delhi	N.A.	100%	100%
8	Parsvnath Telecom Private Limited	Non-operative	Delhi	N.A.	100%	100%
9	PDL Assets Limited	Real estate - Leasing	Delhi	N.A.	100%	100%
10	Primetime Realtors Private Limited	Real estate	Delhi	Delhi	100%	100%
11	Parsvnath Buildwell Private Limited	Real estate	Delhi	Ghaziabad	99.83%/ 99.10%	90.05%/ 50.10%
12	Parsvnath Rail Land Project Private Limited*	Real estate	Delhi	Delhi	28.30%/ 85.10%	28.30%/ 85.10%
13	Parsvnath HB Projects Private Limited	Real estate	Delhi	Mohali	51%	51%
14	Parsvnath Realty Ventures Limited	Real estate - Leasing	Delhi	Delhi	100%	100%
15	Vasavi PDL Ventures Private Limited	Real estate	Hyderabad	Hyderabad	51%	51%
16	Parsvnath Developers Pte. Limited	Non-operative	Singapore	Singapore	53.32%	53.32%
17	Farhad Realtors Private Limited	Real estate	Delhi	Delhi	100%	100%
18	Suksma Buildtech Private Limited	Real estate - Leasing	Delhi	Delhi	100%	-
19	Jarul Promoters and Developers Private Limited	Real estate - Leasing	Delhi	Delhi	100%	-
B. STEP DOWN SUBSIDIARIES (Ownership interest of holding company)						
1	Parsvnath MIDC Pharma SEZ Private Limited (Subsidiary of Parsvnath Infra Limited)	Real estate	Maharashtra	N.A.	94.87%	94.87%
2	Parsvnath Realcon Private Limited (Subsidiary of Parsvnath Buildwell private Limited)	Real estate	Delhi	Delhi	50.10%	50.10%
C. JOINT VENTURES						
1	Ratan Parsvnath Developers (AOP)	Real estate	Delhi	Kanpur	50%	50%
D. ASSOCIATES						
1	Amazon India Limited	Non-operative	Delhi	N.A.	48.30%	48.30%
2	Home Life Real Estate Private Limited	Non-operative	Chandigarh	N.A.	50.00%	50.00%
3	Vardaan Buildtech Private Limited	Non-operative	Delhi	N.A.	33.33%	33.33%

*Parsvnath Rail Land Project Private Limited is considered as a subsidiary on the basis of voting power in the said company.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

9 Loans

(₹ in Lakhs)

		As at 31-March-19	As at 31-March-18
I	**Non-Current**		
	(unsecured, considered good)		
	a. Loans to related parties	12,327.37	11,376.71
		12,327.37	**11,376.71**
II	**Current**		
	(unsecured, considered good)		
	a. Loans to related parties	4,312.76	1,347.36
	b. Loans and advances to employees	18.04	4.59
		4,330.80	**1,351.95**

10 Other financial assets

(₹ in Lakhs)

				As at 31-March-19	As at 31-March-18
I	**Non-Current**				
	a.	Security deposits		1,743.19	2,097.16
				1,743.19	**2,097.16**
II	**Current**				
	a.	Security deposits		1,096.59	1,092.67
	b.	Interest receivables:			
		i.	Interest accrued on deposits with banks	136.77	176.33
		ii.	Interest accrued on investments	5,766.42	6,416.51
	c.	Receivables on sale of Investments		1,450.00	1,450.00
	d.	Other receivables (refer note 42)		14,951.41	14,872.00
				23,401.19	**24,007.51**

11 Deferred tax assets (Net)

(₹ in Lakhs)

	As at 31-March-19	As at 31-March-18
Deferred tax assets	12,040.67	7,657.39
Deferred tax liabilities	249.30	232.02
Net deferred tax assets (a)	11,791.37	7,425.37
Mat credit entitlement (b)	2,601.08	2,601.08
Total Deferred Tax Assets (a+b)	**14,392.45**	**10,026.45**

(₹ in Lakhs)

Year ended 31 March, 2019	Opening Balance	Recognised in Profit or loss	Recognised in other comprehensive Income	Closing balance
Deferred tax assets/(liabilites) in relation to:				
Property, plant and equipment	(232.02)	(17.28)	-	(249.30)
Defined benefit obligation	223.03	(46.16)	9.44	186.30
Disallowances under Income Tax Act	2,669.94	2,321.16	-	4,991.10
	2,660.95	2,257.72	9.44	4,928.10
Unabsorbed depreciation and tax losses	4,764.42	2,098.85	-	6,863.27
	7,425.37	**4,356.57**	**9.44**	**11,791.37**

(₹ in Lakhs)

Year ended 31 March, 2018	Opening Balance	Recognised in Profit or loss	Recognised in other comprehensive Income	Closing balance
Deferred tax assets/(liabilites) in relation to:				
Property, Plant and equipment	(211.22)	(20.80)	-	(232.02)
Defined benefit obligation	205.23	5.01	12.78	223.03
Disallowances under Income Tax Act	-	2,669.94	-	2,669.94
	(5.99)	2,654.15	12.78	2,660.95
Unabsorbed depreciation and tax losses	5,057.64	(293.22)	-	4,764.42
	5,051.65	**2,360.93**	**12.78**	**7,425.37**

Notes:

1 The Company has tax losses of ₹ 26,397.19 lakhs (31 March, 2018 - ₹ 18,324.68 lakhs) that are available for offsetting for eight years against future taxable income of the Company. The losses will expire as under:

(₹ in Lakhs)

	Amount
Year ending 31 March, 2023	4,358.98
Year ending 31 March, 2024	1,002.37
Year ending 31 March, 2026	4,076.06
Year ending 31 March, 2027	16,959.78
	26,397.19

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

2 The Company has recognised deferred tax assets on its unabsorbed depreciation and business losses carried forward. The Company has executed flat / plot sale agreements with the customers against which the Company has also received advances, as disclosed in Note 23 of the financial statements. Revenue in respect of such sale agreements will get recognised in future years on completion of projects. Based on these sale 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 unabsorbed depreciation and tax losses is based on detailed budgets prepared by the Company and approved by the board of directors.

12 Other assets

(₹ in Lakhs)

			As at 31-March-19	As at 31-March-18
I	**Non-Current**			
	a.	Advances for land purchase to related parties	13,641.56	13,803.17
	b.	Advances for land purchase to others	62.80	1,213.41
	c.	Upfront fee paid for projects (Unamortised)	12,120.06	11,968.26
	d.	Prepaid expenses	180.64	186.54
			26,005.06	**27,171.38**
II	**Current**			
	a.	Advances for land purchase to others	2,781.24	6,911.50
	b.	Prepaid expenses	1,513.88	1,518.68
	c.	Input Tax Credit receivables	2,830.03	2,406.92
	d.	Advances to suppliers	4,750.20	7,009.32
	e.	Unbilled receivables	-	25,335.27
			11,875.35	**43,181.69**

13 Inventories

(₹ in Lakhs)

		As at 31-March-19	As at 31-March-18
Inventories (lower of cost and net realisable value)			
a.	Work-in-progress	3,88,217.58	2,92,333.45
b.	Finished flats/properties	7,263.91	6,104.54
		3,95,481.49	**2,98,437.99**

Note:
The Company has classified its inventory of work-in-progress and finished properties as current. Details of inventories expected to be realised after more than 12 months from the reporting date is as under:

(₹ in Lakhs)

	As at 31-March-19	As at 31-March-18
Less than 12 months	95,000.00	50,000.00
More than 12 months	3,00,481.49	2,48,437.99
	3,95,481.49	**2,98,437.99**

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

14 Trade receivables

(₹ in Lakhs)

	As at 31-March-19	As at 31-March-18
Unsecured, considered good		
Trade receivables (see note 46)	26,924.47	58,646.77
	26,924.47	**58,646.77**

Notes:

1. The average credit period is 30 to 45 days. For payments, beyond credit period, interest is charged as per the terms of Agreement with Buyers.

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

15 Cash and cash equivalents

(₹ in Lakhs)

		As at 31-March-19	As at 31-March-18
a.	Balances with banks:-		
	i. In current accounts	2,928.88	441.84
b.	Cash on hand	15.63	21.86
		2,944.51	**463.70**

16 Bank balances, other than Cash and cash equivalents

(₹ in Lakhs)

		As at 31-March-19	As at 31-March-18
a.	Deposits with banks held as margin money or security	5,593.80	5,595.94
	against borrowings or guarantees		
		5,593.80	**5,595.94**

17 Tax assets and liabilities (Net)

(₹ in Lakhs)

		As at 31-March-19	As at 31-March-18
I.	**Tax assets**		
	Tax refund receivables	1,037.92	2,124.09
		1,037.92	**2,124.09**
II.	**Tax liabilities**		
	Tax payable/provision	-	-
		-	**-**

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

18 Equity share capital

		As at 31-March-19		As at 31-March-18	
		Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Authorised Share Capital					
i.	Equity shares of ₹ 5 each	60,00,00,000	30,000.00	60,00,00,000	30,000.00
ii.	Preference shares of ₹ 10 each	5,00,00,000	5,000.00	5,00,00,000	5,000.00
		65,00,00,000	**35,000.00**	**65,00,00,000**	**35,000.00**
Issued, subscribed and fully paid-up capital					
i.	Equity shares of ₹ 5 each	43,51,81,170	21,759.06	43,51,81,170	21,759.06
		43,51,81,170	**21,759.06**	**43,51,81,170**	**21,759.06**

Refer notes (i) to (iv) below:

(i) Rights, preferences and restrictions attached to equity shares:

The Company has issued only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Reconciliation of share capital:

	Number of Shares	Share Capital ₹ in lakhs
Balance as at 31 March, 2017	43,51,81,170	21,759.06
Movements during the year	-	-
Balance as at 31 March, 2018	**43,51,81,170**	**21,759.06**
Movements during the year	-	-
Balance as at 31 March, 2019	**43,51,81,170**	**21,759.06**

(iii) Details of shares held by each shareholder holding more than 5% of total share capital:

Name of shareholder		As at 31-March-19		As at 31-March-18	
		Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Equity shares of ₹ 5 each, fully paid up:					
i.	Pradeep Kumar Jain	10,31,12,436	23.69	11,71,56,162	26.92
ii.	Pradeep Kumar Jain & Sons (HUF)	8,96,32,571	20.60	9,73,32,571	22.37
iii.	Parasnath And Associates Private Limited	4,71,86,992	10.84	4,71,86,992	10.84
iv.	Nutan Jain	4,21,59,644	9.69	4,49,11,886	10.32

(iv) The Company has not issued any preference share capital.

19 Other equity

(₹ in Lakhs)

	As at 31-March-19	As at 31-March-18
General Reserve	7,960.00	7,960.00
Securities premium	1,40,711.41	1,40,711.41
Debenture redemption reserve	2,742.20	9,527.50
Retained earnings	(16,482.52)	64,141.20
Other comprehensive income	6.51	33.36
	1,34,937.60	**2,22,373.47**
General Reserve		
Balance at the beginning of the year	7,960.00	7,960.00
Balance at the end of the year	**7,960.00**	**7,960.00**
Securities premium		
Balance at the beginning of the year	1,40,711.41	1,40,711.41
Balance at the end of the year	**1,40,711.41**	**1,40,711.41**
Debenture Redemption Reserve		
Balance at the beginning of the year	9,527.50	9,302.50
Add: Transferred from retained earnings	-	225.00
Less: Transferred to retained earnings	6,785.30	-
Balance at the end of the year	**2,742.20**	**9,527.50**
Retained earnings		
Balance at the beginning of the year	64,141.20	76,101.05
Less: Adjustments due to adoption of IND AS-115 as at 01.04.2018 (see note 47)	63,129.22	-
Add: Profit/(loss) for the year	(24,279.80)	(11,734.85)
Less: Transferred to Debenture Redemption Reserve	-	225.00
Add: Transferred from Debenture Redemption Reserve	6,785.30	-
Balance at the end of the year	**(16,482.52)**	**64,141.20**
Other comprehensive income		
Balance at the beginning of the year	33.36	69.73
Add: Remeasurement of defined benefit obligation	(26.85)	(36.37)
(net of income tax)	**6.51**	**33.36**

Nature and purpose of reserves:

a. General reserve - The Company has transferred a part of the net profit of the Company to general reserve in earlier years.

b. Securities premium - The amount received in excess of the face value of the equity shares issued by the Company is recognised in securities premium.

c. Debenture redemption reserve - The company has recognised debenture redemption reserve from its retained earnings. The amount of reserve is equivalent to 25% of the value of redeemable debentures issued by the Company. The reserve is to be utilised for the purpose of redemption of debentures.

d. Retained earnings - Retained earnings are profits/(losses) of the Company earned till date less transfered to general reserve and debenture redemption reserve.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

20 Non-current borrowings

(₹ in Lakhs)

		As at 31-March-19		As at 31-March-18	
		Non Current	Current	Non Current	Current
Secured - at amortised cost					
(i)	Debentures				
	13.00% Non-convertible redeemable debentures (Series XIV)	-	8,873.14	8,754.53	26,625.09
	19.00% Non-convertible redeemable debentures (Series XV)	-	-	-	616.00
	19.00% Non-convertible redeemable debentures (Series XVI)	1,794.70	299.12	1,269.00	725.00
		1,794.70	9,172.26	10,023.53	27,966.09
(ii)	Term loans				
	from financial institutions / other parties	80,484.62	54,746.53	1,01,022.52	37,309.64
	Total non-current borrowings	**82,279.32**	**63,918.79**	**1,11,046.05**	**65,275.73**
Less: Amount disclosed under "other financial liabilities" (refer Note 21 (ii))		-	63,918.79	-	65,275.73
		82,279.32	**-**	**1,11,046.05**	**-**

Summary of Borrowings arrangements

(i) The terms of borrowings are stated below: (₹ in Lakhs)

	Security details	As at 31-March-19	As at 31-March-18	Rate of Interest
	Debentures :			
a.	13% NCDs of ₹ 35,500 lakhs were issued during the year ended 31 March 2015. NCDs are secured by (a) Pledge of certain equity shares of the Company held by promotors group (b) first charge by way of mortgage over a land at Dharuhera and Rahukhedi Indore (c) first charge by way of mortgage over land at Jodhpur (d) second charge on receivables of DMRC projects (i) Azadpur metro station (ii) Games village metro station (iii) Seelampur metro station annexe (iv) Inderlok metro station annexe and (v) Shahdara metro station, and (e) Personal guarantee of Chairman. These NCDs are redeemable in 4 quarterly instalments commencing from July, 2018.	8,875.00	35,500.00	13.00%
b.	19% NCDs of ₹ 616 lakhs were issued during the year ended 31 March 2017. The NCDs are secured by (a) 1st pari passu charge by way of Mortgage over development rights of Palacia Project situated in Greater Noida U.P. (b) Mortgage of Residential Plots at Gurgaon (c) charge on receivables of these projects and (d) personal guarantee of Chairman, Managing Director and a wholetime Director of the company. These NCDs were fully repaid during the year.	-	616.00	19.00%
c.	19% NCDs of ₹ 1,094 lakhs, ₹ 900 lakhs and ₹ 225 lakhs were issued during the years ended 31 March 2017, 31 March, 2018 and 31 March, 2019 respectively. The NCDs are secured by (a) 1st pari passu charge by way of Mortgage over development rights of Palacia Project situated in Greater Noida U.P.(b) Mortgage of Residential Plots at Gurgaon (c) charge on receivables of these projects and (d) personal guarantee of Chairman, Managing Director and a wholetime Director of the company. These NCDs are redeemable in 11 quarterly modified instalments commencing from April, 2018.	2,093.82	1,994.00	19.00%
d.	IND AS Adjustments	(1.86)	(120.38)	
		10,966.96	**37,989.62**	

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

(₹ in Lakhs)

	Security details	As at 31-March-19	As at 31-March-18	Rate of Interest
	Term Loans :			
a.	Term Loan from a non-banking finance company is secured by (a) mortgage & escrow of receivables of (1) project land at Sonepat, (2) project land at Kurukshetra, (3) development rights of group housing project at Gurgaon, and mortgage of all unsold units of the project by the company, Parsvnath Hessa Developers Pvt. Ltd. and Parsvnath Sharmistha Realtors Pvt. Ltd, (b) corporate guarantee of land owning companies, and (c) personal guarantee of Chairman. The term loan is repayable in quarterly instalments commencing from November, 2018.	5,250.00	10,500.00	13.00%
b.	Term loan from a financial institution is secured by mortgage of a project land parcel at Indore, charge on receivables of project at Dharuhera and personal guarantee of Chairman. The term loan is repayable in 57 monthly instalments commencing from October, 2012.	12,491.13	12,491.13	13.50%
c.	Term loan from a non-banking finance company is secured by (1) mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula (d) commercial & plotted area at Derabassi (e) Rajpura, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company and (5) Corporate guarantees of land owning companies. The term loan was fully repaid during the year.	-	26,200.00	13.93% to 16.70%
d.	Term loan from a non-banking finance company is secured by (1) extension of mortgage of (a) commercial/other lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura, (d) land in Punchkula and (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula (d) commercial & plotted area at Derabassi, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company and (5) Corporate guarantees of land owning companies. The term loan was fully repaid during the year.	-	9,642.36	11.54% to 19.41%
e.	Term loan from a non-banking finance company is secured by (1) extension of mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura, (d) land in Punchkula and (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula (d) commercial & plotted area at Derabassi, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company and (5) Corporate guarantees of land owning companies. The term loan is repayable in monthly instalments commencing from January 18.	8,760.48	20,932.52	11.06%
f.	Term loan from a non-banking finance company is secured by mortgage of project land at Greater Noida, hypothecation of present and future receivables of the said project and personal guarantee of Chairman. The term loan is repayable in 4 quarterly instalments commencing from September, 2019.	12,000.00	12,000.00	13.00%

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

(₹ in Lakhs)

	Security details	As at 31-March-19	As at 31-March-18	Rate of Interest
g.	Term loan from a non-banking finance company is secured by (1) extension of mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura, (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) Punchkula, (c) commercial & plotted area at Derabassi, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company and (5) Corporate guarantees of land owing companies. The term loan is repayble in monthly instalments commencing from August, 2019.	2,800.00	2,800.00	14.90%
h.	Term loan from a non-banking finance company is secured by (1) extension of mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura, (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula, (d) commercial & plotted area at Derabassi, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company and (5) Corporate guarantees of land owing companies. The term loan is repayble in monthly instalments commencing from August, 2019.	2,700.00	2,700.00	14.90%
i.	Term loan from a non-banking finance company is secured by (1) extension of mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura, (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula, (d) commercial & plotted area at Derabassi, (3) Second charge on receivables of DMRC project at Netaji Subhash Place, (4) Cross Collaterization of the securities with other loans from the lender, (5) personal guarantee of Chairman, Managing Director and a wholetime Director of the company, and (6) Corporate guarantees of land owing companies. The term loan is repayble in monthly instalments commencing from August, 2019.	5,604.50	6,504.50	10.32% to 12.00%
j.	Term loan from a non-banking finance company is secured by (1) extension of mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura, (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula (d) commercial & plotted area at Derabassi, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company, and (5) Corporate guarantees of land owing companies. The term loan was fully repaid during the year.	-	16,735.38	12.73% to 12.95%
k.	Term loan from a non-banking finance company is secured by (1) extension of mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura, (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula, (d) commercial & plotted area at Derabassi, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company, and (5) Corporate guarantees of land owing companies. The term loan was fully repaid during the year.	-	3,150.00	19.86%

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

Security details		As at 31-March-19	As at 31-March-18	Rate of Interest
l.	Term loan from a non-banking finance company is secured by (1) extension of mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura, (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula, (d) commercial & plotted area at Derabassi, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company, and (5) Corporate guarantees of land owing companies. The term loan is repayble in monthly instalments commencing from May, 2018.	3,033.07	7,060.00	18.80%
m.	Term loans from non-banking finance companies are secured by (1) extension of mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura, (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula, (d) commercial & plotted area at Derabassi, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company, and (5) Corporate guarantees of land owing companies. The term loan is repayble in monthly instalments commencing from October, 2018.	4,934.12	8,446.00	11.00%
n.	Term loan from a non-banking finance company is secured by (1) extension of mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura, (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula, (d) commercial & plotted area at Derabassi, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company, and (5) Corporate guarantees of land owing companies. The term loan is repayble in monthly instalments commencing from January 20.	7,210.00	7,210.00	11.50%
o.	Term loan from a non-banking finance company is secured by extension of (1) (a) Pledge of certain equity shares of the Company held by promotors group (b) first charge by way of mortgage over a land at Dharuhera and Rahukhedi Indore (c) first charge by way of mortgage over land at Jodhpur (d) second charge on receivables of DMRC projects (i) Azadpur metro station (ii) games village metro station (iii) Seelampur metro station annexe (iv) Inderlok metro station annexe, and (v) Shahdara metro station. (2) mortgage & escrow of receivables of (a) project land at Sonepat, (b) project land at Kurukshetra, (c) over development rights of group housing project at Gurgaon, and mortgage of all unsold units of the project by the company, Parsvnath Hessa Developers Pvt. Ltd. and Parsvnath Sharmistha Realtors Pvt. Ltd. (3) corporate guarantee of land owning companies, mortgage of project land at Greater Noida, hypothecation of present and future receivables of the said project and personal guarantee of Chairman. The term loan is repayable in 4 quarterly instalments commencing from July, 2020.	10,000.00	10,000.00	13.00%

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

(₹ in Lakhs)

Security details		As at 31-March-19	As at 31-March-18	Rate of Interest
p.	Term loan from a non-banking finance company is secured by (1) mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula (d) commercial & plotted area at Derabassi (e) Rajpura, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company and (5) Corporate guarantees of land owning companies. The term loan is repayable in monthly instalments commencing from November, 18.	4,475.92	-	14.88%
q.	Term loan from a non-banking finance company is secured by (1) mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula (d) commercial & plotted area at Derabassi (e) Rajpura, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company and (5) Corporate guarantees of land owning companies. The term loan is repayable in monthly instalments commencing from January, 21.	13,300.00	-	9.00%
r.	Term loan from a non-banking finance company is secured by (1) mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula (d) commercial & plotted area at Derabassi (e) Rajpura, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company and (5) Corporate guarantees of land owning companies. The term loan is repayable in monthly instalments commencing from April, 19.	64,840.21	-	11.00% to 11.80%
s.	IND AS Adjustments	(22,168.28)	(18,039.73)	
		1,35,231.15	**1,38,332.16**	
(ii) Loans guaranteed by directors				
a.	Debentures (net of Ind AS adjustment)	10,966.96	37,989.62	
b.	Term loans from financial institutions / others (net of Ind AS adjustment)	1,35,231.15	1,38,332.16	
		1,46,198.11	**1,76,321.78**	

(iii) There were some delays in repayment of Principal and interest during the year which were regularised before the end of the year. The amount of defaults as at the year end are given below:

		As at 31 March, 2019		As at 31 March, 2018	
		Period of default	₹ in lakhs	Period of default	₹ in lakhs
a.	Term loans from financial institutions / others				
	- Principal	1 to 365 days	-	1 to 365 days	1,042.57
	- Principal	above 365 days	12,491.13	above 365 days	11,448.56
	- Interest	1 to 89 days	1,240.89	1 to 89 days	1,427.84
	- Interest	90 to 179 days	754.80	90 to 179 days	647.06
	- Interest	above 179 days	6,579.32	above 179 days	3,857.33

21 Other financial liabilities (₹ in Lakhs)

			As at 31-March-19	As at 31-March-18
I	**Non-Current**			
	a.	Trade/security deposits received	8,770.15	10,475.06
			8,770.15	**10,475.06**
II	**Current**			
	a.	Current maturities of long term debt (Refer Note 20)	63,918.79	65,275.73
	b.	Interest accrued but not due on borrowings	10,857.01	9,974.07
	c.	Interest accrued and due on borrowings	10,987.19	6,677.46
	d.	Interest accrued but not due on others	3,499.58	2,915.10
	e.	Trade/security deposits received	6,459.54	22,797.65
	f.	Debenture application money	100.00	-
	g.	Book overdraft - Banks	109.14	43.26
			95,931.25	**1,07,683.27**

22 Provisions (₹ in Lakhs)

			As at 31-March-19	As at 31-March-18
I	**Non-current**			
	a.	Employee benefits	440.19	513.74
			440.19	**513.74**
II	**Current**			
	a.	Employee benefits	15.03	33.70
			15.03	**33.70**
			455.22	**547.44**

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

23 Other liabilities

(₹ in Lakhs)

			As at 31-March-19	As at 31-March-18
I	**Non-current**			
	a.	Advances from customers	1,026.50	611.09
			1,026.50	**611.09**
II	**Current**			
	a.	Advances from customers	2,16,730.11	25,171.32
	b.	Statutory dues (Contributions to PF, Withholding Tax, GST, Sales Tax, VAT, Service Tax, etc.)	12,832.92	8,538.72
	c.	Advances received against sale/transfer of fixed assets / intangible assets	18,000.00	50.00
	d.	Other Advances		
		- from related parties	14.49	-
		- others	2.54	-
	e.	Rent received in advance	471.16	356.90
			2,48,051.22	**34,116.94**

24 Current borrowings

(₹ in Lakhs)

			As at 31-March-19	As at 31-March-18
I.	**Unsecured**			
	a.	Loans repayable on demand		
		i. From others	8,625.00	3,190.75
II.	**Secured**			
	a.	Loans repayable on demand		
		i. From banks (Cash credit)	7,027.72	8,115.84
	b.	Short-term loans from banks	-	967.07
	c.	Loans from other parties	22,671.52	24,401.39
	d.	Other loans (against vehicles)		
		i. From banks	32.37	60.04
			38,356.61	**36,735.09**

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

24.1 Details of securities provided in respect of short term borrowings from banks - cash credit are as under: **(₹ in Lakhs)**

		As at 31-March-19	As at 31-March-18	Effective interest rate
a.	Cash Credit is secured by first pari passu charge by way of hypothecation of stocks of construction & building materials, work-in-progress, finished goods (flats) and book debts / receivables of various projects/sites and mortgage of some specific units/land parcel/built up property at Moradabad, Greater Noida, Sonepat and Panipat and personal guarantee of Chairman, Managing Director and a wholetime Director of the company.	5,572.41	6,634.80	15.05%
b.	Cash Credit is secured by first pari passu charge by way of hypothecation of stocks of construction & building materials, work-in-progress, finished goods (flats) and book debts / receivables of various projects/sites and mortgage of commercial land at Karnal, personal guarantee of Chairman, Managing Director and a wholetime Director of the company and corporate guarantee of Land owning companies.	447.91	468.06	17.55%
c.	Cash Credit is secured by first pari passu charge by way of hypothecation of stocks of construction & building materials, work-in-progress, finished goods (flats) and book debts / receivables of various projects/sites and mortgage of commercial plot at Rajpura and commercial space at Saharanpur, pledge of term deposit of ₹ 84 lakhs, personal guarantee of Chairman, Managing Director and a wholetime Director of the company and corporate guarantee of land owning company.	1,007.40	1,012.98	14.80%
		7,027.72	**8,115.84**	

24.2 Details of securities provided in respect of short term loans from banks are as under: **(₹ in Lakhs)**

		As at 31-March-19	As at 31-March-18	Effective interest rate
a.	Term loan from a bank is secured by mortgage of commercial units/ spaces at Faridabad and personal guarantee of Chairman, Managing Director and a wholetime Director of the company. The loan was fully repaid during the year.	-	972.05	14.65%
b.	IND AS Adjustments	-	(4.98)	
		-	**967.07**	

24.3 Details of securities provided in respect of loans from financial institutions and others are as under: **(₹ in Lakhs)**

		As at 31-March-19	As at 31-March-18	Effective interest rate
a.	Term loan from a non-banking finance company is secured by pledge of certain equity shares of the company held by promoters group and mortgage of commercial land at Noida and receivables of the said land, personal guarantee of Chairman, Managing Director and a wholetime Director of the company and corporate guarantee of land owning company. The loan was fully repaid during the year.	-	1,023.49	17.50%
b.	Term loan from a non-banking finance company is secured by pledge of certain equity shares of the company held by promoters group, mortgage of plot No. 11 of group housing project at Moradabad, mortgage of land at Sonepat and personal guarantee of Chairman and cross collateral clause with another term loan from the lender.	2,746.27	2,969.36	17.25%
c.	Term loan from a financial institution is secured against keyman Insurance Policy taken by the company.	962.29	962.29	9.00%

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

		As at 31-March-19	As at 31-March-18	Effective interest rate
d.	Term loan from a non-banking finance company is secured by (1) pledge of certain equity shares of the company held by promoters group, (2) mortgage & escrow of receivables of (a) project land at Rohtak (b) commercial project at Bhiwadi & Sonepat, (c) land in Indore, Ujjain & Kochi (d) institutional land at Sonipat, (3) pledge of equity shares of land owing companies (4) charge on receivables from collabrator of Bhiwadi group housing project and (5) personal guarantee of Chairman.	17,500.00	17,500.00	19.00%
e.	Term loan from a non-banking finance company is secured by mortgage of plot No. 11 of group housing project at Moradabad, land at Sonepat and personal guarantee of Chairman and cross collateral clause with another term loan from the lender.	666.65	948.33	17.25%
f.	Term loan from a non-banking finance company is secured by pledge of certain equity shares of the company held by promoters group, mortgage of land at Sonepat and personal guarantee of Chairman.	796.31	1,000.00	21.00%
g.	IND AS Adjustments	-	(2.08)	
		22,671.52	**24,401.39**	

24.4 Details of securities provided in respect of vehicle loans from banks are as under: **(₹ in Lakhs)**

		As at 31-March-19	As at 31-March-18	Effective interest rate
a.	Loans taken from banks for vehicles are secured by way of hypothecation of specific vehicles financed and personal guarantee of Chairman.	32.37	60.04	9.65% to 10.55%
		32.37	**60.04**	

24.5 Details of short term borrowings guaranteed by some of the directors: **(₹ in Lakhs)**

		As at 31-March-19	As at 31-March-18
a.	Loans repayable on demand from banks	7,027.72	8,115.84
b.	Term loans from banks / others (Net of Ind AS adjustments)	21,709.23	24,406.17
c.	Vehicle Loans from banks	32.37	60.04
		28,769.32	**32,582.05**

24.6 Details of Period and amount of default in loan repayment as at year end:

		As at 31 March, 2019		As at 31 March, 2018	
		Period of default	₹ in lakhs	Period of default	₹ in lakhs
a.	Term loans from financial institutions / others				
	- Principal	1 to 89 days	4,500.00	1 to 34 days	222.05
	- Principal	90 to 179 days	4,500.00	1 to 89 days	451.47
	- Principal	above 179 days	4,000.00	1 to 121 days	456.82
	- Interest	1 to 89 days	1,152.09	1 to 58 days	457.75
	- Interest	90 to 179 days	746.08	1 to 90 days	287.48
	- Interest	above 179 days	514.01		

25 Trade Payables

(₹ in Lakhs)

		As at 31-March-19	As at 31-March-18
i.	Total outstanding dues of micro enterprises and small enterprises	148.51	120.36
		148.51	**120.36**
ii.	Total outstanding dues of creditors other than micro enterprises and small enterprises		
	a. payables for goods and services	61,622.06	61,027.39
	b. payables for land	9,288.44	7,722.92
		70,910.50	**68,750.31**

Notes:

1. The disclosure of the amount outstanding to micro, small and medium enterprises are as follows:

(₹ in Lakhs)

		As at 31-March-19	As at 31-March-18
a.	Amount of principal remaining unpaid to such suppliers at the end of each accouting year	148.51	120.36
b.	Interest due thereon remaining unpaid at the end of each accounting year	59.11	45.31
c.	Amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	0.23	0.17
d.	Amount of interest due and payable for the period for delay in making payment (which has been paid but beyond the appointed day during the year) but without adding interest specified under Micro, Small and Medium Enterprises Development Act, 2006	13.80	10.71
e.	Amount of interest accrued and remaining unpaid at the end of accounting year	59.11	45.31
f.	Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	1.93	1.93

The above information is based on intimations received by the Company from its suppliers.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

26 Revenue from operations

(₹ in Lakhs)

		Year ended 31-March-19	Year ended 31-March-18
a.	**Revenue from sale of properties**	79,378.56	8,073.31
		79,378.56	**8,073.31**
b.	**Sale of services**		
	i. Licence fee income	2,204.72	2,326.55
	ii. Rent income	241.31	203.49
	iii. Maintenance charges income	71.33	66.47
		2,517.36	**2,596.51**
c.	**Other operating revenue**		
	i. Sale of scrap	134.30	87.54
	ii. Others	87.77	86.98
		222.07	174.52
		82,117.99	**10,844.34**

27 Other income

(₹ in Lakhs)

		Year ended 31-March-19	Year ended 31-March-18
a.	Interest Income:		
	i. From bank deposits	359.13	361.51
	ii. From customers/others	762.17	783.22
	iii. From long term investments	-	167.96
b.	Excess provision written off	18.28	-
c.	Net gain on disposal of property, plant and equipment and Investment property	89.43	48.07
d.	Net gain on disposal of investments	-	3,830.73
e.	Miscellaneous income	10.30	4.56
		1,239.31	**5,196.05**

28 Cost of materials consumed

(₹ in Lakhs)

	Year ended 31-March-19	Year ended 31-March-18
Construction material	841.34	1,717.48
	841.34	**1,717.48**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

29 Changes in inventories of finished goods and work-in-progress

(₹ in Lakhs)

			Year ended 31-March-19	Year ended 31-March-18
a.	Inventories at the beginning of the year:			
	i.	Work-in-progress (projects)	2,92,333.45	2,57,550.18
		Add: Opening adjustment in WIP due to adoption of Ind AS-115 (see note 47)	1,35,515.88	-
		Less: Adjustments during the year	-	128.70
		Less: Transferred to finished flats	1,870.18	-
			4,25,979.15	**2,57,421.48**
	ii.	Finished flats	6,104.54	5,346.54
		Add: Transferred from Work-in-progress	1,870.18	-
			7,974.72	**5,346.54**
			4,33,953.87	**2,62,768.02**
b.	Add: Finance costs allocated to inventory of work-in-progress		34,350.65	20,742.29
	(Refer note (i) to note 31)			
c.	Inventories at the end of the year:			
	i.	Work-in-progress (projects)	3,88,217.58	2,92,333.45
	ii.	Finished flats	7,263.91	6,104.54
			3,95,481.49	**2,98,437.99**
d.	Net (increase) /decrease (a+b-c)		**72,823.03**	**(14,927.68)**

30 Employee benefits expense

(₹ in Lakhs)

		Year ended 31-March-19	Year ended 31-March-18
a.	Salaries and Wages	2,391.31	2,984.35
b.	Contribution to provident and other funds	57.42	68.76
c.	Staff Welfare expenses	48.55	71.46
		2,497.28	**3,124.57**

31 Finance costs

(₹ in Lakhs)

			Year ended 31-March-19	Year ended 31-March-18
a.	Interest costs:			
	i.	On borrowings	44,986.73	30,706.51
	ii.	To customers / others	3,277.62	831.81
	iii.	On delayed / deferred payment of statutory liabilities	1,567.06	959.56
			49,831.41	**32,497.88**
	Less:			
	i.	Interest cost allocated to inventory of work-in-progress	34,350.65	20,742.29
		(Refer note (i) below)		
			15,480.76	**11,755.59**
b.	Other borrowing cost		891.39	994.70
			891.39	**994.70**
			16,372.15	**12,750.29**

Note:

(i) Interest allocable to inventory of projects under progress (work-in-progress) has been segregated from finance cost and reflected under changes in inventories of work-in progress for better presentation (Also refer note 29).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

32 Depreciation and amortisation expense

(₹ in Lakhs)

		Year ended 31-March-19	Year ended 31-March-18
a.	Depreciation of Property, plant and equipment	115.33	129.53
b.	Depreciation of investment property	30.43	30.45
c.	Amortisation of intangible assets	798.07	919.25
		943.83	**1,079.23**

33 Other expenses

(₹ in Lakhs)

		Year ended 31-March-19	Year ended 31-March-18
a.	Power and fuel	813.94	606.45
b.	Rent including lease rentals	931.83	1,217.04
c.	Repair and maintenance		
	- Building	123.59	84.08
	- Machinery	12.63	22.30
	- Others	369.31	398.86
d.	Insurance	28.74	37.29
e.	Rates and taxes	804.12	476.63
f.	Postage and telegram	41.27	63.27
g.	Travelling and conveyance	121.58	176.25
h.	Printing and stationery	61.82	64.79
i.	Advertisement and business promotion	17.65	82.82
j.	Sales commission	43.60	310.60
k.	Vehicle running and maintenance	63.74	66.57
l.	Rebate and discount	93.05	166.94
m.	Legal and professional charges	404.55	821.78
n.	Payment to auditors (see note below)	51.14	51.45
o.	Project consultancy fee	70.78	164.48
p.	Share of loss from joint venture	0.24	0.23
q.	Loss on sale of property, plant and equipment	-	6.41
r.	Compensation paid to customers	474.63	725.04
s.	Miscellaneous expenses	224.60	184.02
		4,752.81	**5,727.30**

Note:

Payment to auditors comprise:				
i.	**To statutory auditors**			
	a.	Statutory audit fee	15.00	15.00
	b.	Tax audit fee	2.00	2.00
	c.	Limited reviews fee	30.00	30.00
	d.	Reimbursement of out-of-pocket expenses	0.14	0.45
			47.14	**47.45**
ii.	**To cost auditors**		4.00	4.00
			51.14	**51.45**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

34 Income tax

(₹ in Lakhs)

		Year ended 31-March-19	Year ended 31-March-18
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	1,537.82	-
		1,537.82	**-**
	Deferred tax		
	In respect of the current year	(4,356.57)	(2,360.93)
		(4,356.57)	**(2,360.93)**
	Total income tax expense/(benefit) recognised	**(2,818.75)**	**(2,360.93)**
ii.	Income tax expense/(benefit) reconciliation with effective tax rate on accounting profit:		
	Profit/(loss) before tax	(27,098.55)	(14,095.78)
	Income tax expense calculated at 26% (2017-18: 26%)	(7,045.62)	(3,664.90)
	Effect of tax rate change during the year	-	801.07
	Effect of expenses that are not deductible in determining taxable profit	2,247.70	246.82
	Adjustments recognised in the current year in relation to the current tax of previous years	1,537.82	-
	Others	441.35	256.08
	Income tax expense/(benefit) recognised in statement of profit and loss	**(2,818.75)**	**(2,360.93)**
	The tax rates used for the financial years 2018-19 and 2017-18 in reconciliation above is the corporate tax rate of 25% plus education and health cess of 4% on corporate tax, payable by corporate entities in India on taxable profits under the Indian tax laws.		
iii.	Income tax recognised in other comprehensive income		
	Remeasurements of defined benefit obligation	(9.44)	(12.78)
	Total income tax recognised in other comprehensive income	**(9.44)**	**(12.78)**

35 Contingencies

(₹ in Lakhs)

			As at 31-March-19	As at 31-March-18
a.	Claims against the Company not acknowledged as debts*:			
	i.	Demand for payment of stamp duty	433.00	433.00
	ii.	Customer complaints pending in courts	37,917.56	38,139.27
	iii.	Civil cases against the Company	5,460.01	2,671.36
	iv.	Income tax demand	906.48	906.48
	v.	Value Added Tax / Trade tax demand	1,710.67	1,744.08
	vi.	Licence fee to DMRC (see note 39)	3,080.36	2,188.20
	vii.	Others	4.22	4.22
b.	Security/performance guarantees issued by the banks to Government authorities on behalf of group companies, for which the Company has provided counter guarantee		683.81	756.16
c.	Corporate guarantees issued on behalf of subsidiary companies in respect of loans taken by them:			
	i.	Sanctioned amount	1,39,668.00	1,36,468.00
	ii.	Outstanding amount	1,14,560.63	1,22,338.93

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

36 Commitments **(₹ in Lakhs)**

		As at 31-March-19	As at 31-March-18
a.	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	16,462.78	16,542.24

b. The Company has other commitments, for purchase orders which are issued after considering requirements as per the operating cycle for purchase of goods and services, in the normal course of business.

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

38 There were no amounts which were required to be transferred to the Investor Education and Protection Fund, during the year.

39 The Company has entered into concession agreements with Delhi Metro Rail Corporation Limited (DMRC) for various projects on Build-Operate-Transfer (BOT) basis. In case of Tis Hazari project, the Company was unable to commercially utilise the properties due to lack of clarity between DMRC and Municipal Corporation of Delhi (MCD) with respect to authority for sanction of building plans. In view of the delay, the Company has sought concessions from DMRC and has invoked the Arbitration clause under the concession agreement in case of this project. The Arbitral Tribunal has announced its award in favour of DMRC. The Company has now filed an appeal in the Delhi High Court against this award and the proceedings are going on.

In case of another project, viz. Welcome Mall, construction activities had to be suspended as the property development area allotted to the Company was infringing the proposed line of Metro Station to be constructed by DMRC under phase III. Consequently, the construction activities could not be restarted due to DMRC's inability to provide necessary clarification regarding FAR availability on the property development area and final approved revised layout plan from MCD. The Company has invoked the Arbitration clause under the concession agreement and the proceedings are going on.

Pending arbitration award / necessary clarifications and documents, the Company has not provided for recurring licence fees amounting to ₹ 3,080.36 lakhs (previous year ₹ 2,188.20 lakhs) and has shown the same under contingent liabilities. However, the Company has continued to carry forward the advances / costs incurred on these projects after charging for amortisation / depreciation on periodical basis.

In case of another project, viz. Netaji Subhash Place, after the earlier arbitration award in favour the Company, a settlement deed was signed between DMRC and the Company. However, there was a dispute on deciding the first date of escalation of recurring payment. The Company invoked the arbitration clause under the concession agreement and the matter has been decided in favour of the Company vide Arbitration order dated 20 July, 2018.

In case of another project, viz. Seelampur Plot, the sanction of building plans by MCD got delayed for want of No Objection Certificate (NOC) from Government agencies. Accordingly, DMRC was approached to waive the recurring payment liability for the disputed period. Since an amicable resolution could not be reached out between the Company and DMRC, the Company invoked "Arbitration Clause" under the concession agreement for settlement of the matter and the proceedings are going on.

40 Pursuant to Investment Agreement dated 21 December, 2010 entered into between the Company, Parsvnath Buildwell Private Limited (PBPL), Parasnath And Associates Private Limited (Co-Promoter) and two overseas Investment entities (Investors) and 'Assignment of Development Rights Agreement' dated 28 December, 2010 entered into with PBPL and Collaborators, the Company had assigned Development Rights in respect of one of its projects, namely, 'Parsvnath Exotica, Ghaziabad' (on land admeasuring 31 acres) situated at Village Arthala, Ghaziabad (the Project) to PBPL on terms and conditions contained therein.

The project has been delayed due to non-receipt of approval for the revised building plans.

The collaborators (land owners) are seeking cancellation of the Development Agreement and other related agreements and have taken legal steps in this regard. PBPL invoked the arbitration clause and as a consequence of the land owners not appointing their nominee Arbitrator, PBPL approached the High Court at Allahabad for appointment of Arbitrator under section 11 of the Arbitration and Conciliation Act. However, the Hon'ble Supreme Court while hearing a Civil Appeal filed by PBPL and the Company in another matter stayed the appointment of arbitrator by the Allahabad High Court vide Order dated 09.04.2018 and further directed the land-owner to co-operate with PBPL for getting the building plan approved by the Ghaziabad Development Authority.

During the financial year 2016-17, the Company had entered into a Settlement Agreement with investors for which execution petition for enforcement filed by the investors before the Delhi High Court has been amicably settled pursuant to which the Investment Agreement dated 21 December, 2010 stands cancelled and the securities held by the investors have been acquired by the Company during the year.

41 The Company had entered into a Memorandum of Understanding (MOU) dated 22 December, 2010 with Parsvnath Realcon Private Limited (PRPL), a wholly owned subsidiary of its subsidiary Parsvnath Buildwell Private Limited (PBPL) in terms of which the Company had assigned development rights of the project, namely, 'Parsvnath Paramount' on land admeasuring 6,445 square metres situated at Subhash Nagar, New Delhi to PRPL. The Company has also entered into 'Project Management Agreement' with PRPL and PBPL for overall management and coordination of project development. Further, the Company has given the following undertakings to PRPL:

a. It shall complete the project within the completion schedule and construction cost as set out in the Agreement.

b. The project revenues from the sold area shall be at least the amount set out in the Agreement.

c In the event of construction cost overrun or revenue shortfall, the Company shall contribute such excess/shortfall amount against allotment of equity shares or other instruments at such premium as may be mutually determined by the parties.

The progress of the project had been hampered due to non-receipt of approval for revised building plans by South Delhi Municipal Corporation (SDMC) and the matter is pending before the Appellate Tribunal, MCD (ATMCD) for adjudication.

Consequently, as a result of delay in completion of the project, Resident Welfare Association has filed complaints against the Company and its Directors which are pending before the Economic Offence Wing and Delhi High Court.

The Company has also filed a Civil Writ Petition before the Hon'ble Delhi High Court against SDMC, DDA, MoUD and DMRC seeking directions from the Hon'ble Court for getting this issue resolved. The matter is being heard by the Hon'ble Delhi High Court and it is expected that it would be resolved soon.

42 The Company had entered into a Development Agreement (DA) with Chandigarh Housing Board (CHB) for the development of an integrated project ('the project') at Chandigarh. Owing to various factors, disputes had arisen between the Company and CHB. Consequently, the Company had invoked the arbitration clause in the DA. Hon'ble Sole Arbitrator had pronounced the award in January, 2015 which was accepted by the Company and the CHB. Pursuant to the arbitration award, the project was discontinued and surrendered to CHB.

Subsequent to the acceptance and implementation of the award, it was noticed that due to a computational error in the award, the awarded amount was deficient by approximately ₹ 14,602.00 lakhs. Consequently, the Company made an application to the Hon'ble Sole Arbitrator for correction of the computational error. However, the Sole Arbitrator in his findings, while admitting the error, stated that after acceptance and implementation of the award by both the parties he had become non-functionary and therefore rejected the claims made by the Company. The Company has since filed its objections under section 34 of the Arbitration and Conciliation Act, 1996 read with section 151 of Code of Civil Procedure (CPC) before the Additional District Judge cum MACT, Chandigarh and the Court had issued notice to CHB for filing its reply and also called for the Arbitral Record from the Sole Arbitrator. The Additional District Judge, Chandigarh dismissed our application on 30 May, 2018. Aggrieved by the said order, the Company preferred an appeal under section

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

37 of the Arbitration and Conciliation Act, 1996 before the Hon'ble Punjab & Haryana High Court at Chandigarh and the proceedings are going on. Pending decision of the Hon'ble Punjab & Haryana High Court, the amount of ₹ 14,045 lakhs (net of tax deducted at source) has been shown as recoverable and included under 'other financial assets' in Note 10.

43 The Company had given an advance of ₹ 4,848.81 lakhs to one of its subsidiaries viz., Parsvnath Film City Limited (PFCL) for execution of Multimedia-cum-Film-City Project at Chandigarh. PFCL had deposited ₹ 4,775.00 lakhs with 'Chandigarh Administration' (CA) for acquiring development rights in respect of a plot of land admeasuring 30 acres from CA, under Development Agreement dated 2 March, 2007 for development of a "Multimedia-cum-Film City" Complex. Since CA could not handover the possession of the said land to PFCL in terms of the said Development Agreement. PFCL invoked the arbitration clause for seeking refund of the allotment money paid along with compensation, cost incurred and interest thereon.

The Arbitral Panel vide its order dated 10 March, 2012, had decided the matter in favour of PFCL and awarded refund of ₹ 4,919.00 lakhs towards the earnest money paid and other expenses incurred by PFCL along with interest @ 12 % per annum. Subsequently, the CA filed a petition before the Additional District Judge at Chandigarh challenging the award under section 34 of The Arbitration and Conciliation Act, 1996. The said petition was dismissed by the Hon'ble District Judge vide his order dated 07 May, 2015.

The Execution Petition was filed before Additional District Judge (ADJ), Chandigarh for the execution of the Arbitral Award by PFCL. In the meantime, CA filed an appeal under section 37 of the Arbitration and Conciliation Act, 1996 before the Punjab and Haryana High Court at Chandigarh against the orders of the ADJ, Chandigarh pertaining to the Award of Arbitral Tribunal. The Hon'ble High Court allowed the appeal filed by CA and set aside the arbitral award vide its orders dated 17 March, 2016. PFCL had filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court of India which has since been admitted and notice has been issued to the Opposite Party. CA has also filed a Special Leave Petition before the Hon'ble Supreme Court for allowing the counter claims made by them and both the matters have been tagged together and the matters are listed before the Ld. Registrar for completion of pleadings. Once the pleadings are completed, the Company proposes to move an application for early hearing in the matter.

44 The Company was declared as the "Selected Bidder" for grant of lease for development of project on a plot of land at Sarai Rohilla, Kishanganj, Delhi by 'Rail Land Development Authority' (RLDA) vide its 'Letter of Acceptance' (LOA) dated 26 November, 2010. In terms of the LOA, the project was being implemented through a Special Purpose Vehicle (SPV), Parsvnath Promoters and Developers Private Limited (PPDPL). Subsequently, in terms of the requirements of RLDA, another Company in the name of Parsvnath Rail Land Project Private Limited (PRLPPL) was incorporated as an SPV to implement the project. RLDA has accepted PRLPPL as the SPV vide its letter dated 3 August, 2012.

The Company has executed an 'Investment and Security Holders' Agreement dated 20 December 2012 with PRLPPL and two overseas Investment entities (Investors) in relation to the project. Subsequently, the Company has executed an 'Amended and Restated Investment and Security Holders Agreement' on 21 August, 2013 with PRLPPL and aforesaid Investors for financing of the project.

Due to multifarious reasons, including the lack of statutory approvals of lay out and building plans by NDMC, PRLPPL was not able to achieve 'Financial Closure' as per Article 7 of the Agreement which resulted in deemed termination of the agreement. The Company and PRLPPL had invoked the arbitration clause in the development agreement for recovery of amount paid to RLDA together with interest thereon on deemed termination of agreement by way of instituting two Arbitral proceedings namely Arbitration I & II. The Arbitral Tribunal has announced its award in respect of the Arbitration II dated 25 November, 2017 directing RLDA to refund the amount of ₹1,03,453.78 lakhs along with 4% interest per annum payable with effect from the 15 July, 2015 till the date of recovery. RLDA filed its objections under section 34 of the Arbitration and Conciliation Act, 1996 before the Hon'ble Delhi High Court for setting aside the said Arbitral award, which was rejected by the Court vide its order dated 3 April, 2018. RLDA then filed an appeal under section 37 of the Arbitration and Conciliation Act, 1996 before the Division Bench of the Hon'ble Delhi High Court. However, the Court dismissed the appeal filed by RLDA and upheld the order of the Delhi High Court and award of the Arbitral Tribunal vide its judgement dated 14 March, 2019. The Company and PRLPPL have also filed an enforcement petition for the enforcement of the award dated 25 November, 2017.

RLDA has now filed a Special Leave Petition before the Hon'ble Supreme Court of India against the order dated 14 March, 2019 of the Division Bench of the Hon'ble Delhi High Court. Meanwhile, in the enforcement petition filed by the Company and PRLPPL against RLDA, the Hon'ble Delhi High Court in its last hearing held on 22 May, 2019 has directed RLDA to deposit the amount in the terms of the Arbitral award dated 25 November, 2017 within eight weeks from the said date.

In case of Arbitration I (with respect to RLDA's liabilty for payment of interest to PRLPPL on installments received in excess of and prior to RLDA's entitlement), the Arbitral Tribunal by award dated 1 June, 2018 rejected the claim of ₹ 41,946.79 Lakhs filed by the Company and PRLPPL and further directed them to pay the cost incurred in the proceedings amounting to ₹ 97.00 Lakhs. The Company and PRLPPL have filed an appeal before the Hon'ble Delhi High Court against the said award and the proceedings are going on.

The Company and PRLPPL have further initiated Arbitration proceedings (Arbitration III) seeking *inter-alia* refund of the amounts retained as alleged losses by RLDA and losses incurred on account of RLDA's breach of its representations and warranties in respect of the land sought to be leased. The Arbitration proceedings have since commenced.

45 The Company has incurred cash losses during the current and previous years. Due to continued recession in the real estate sector owing to slow down in demand, the Company is facing tight liquidity situation as a result of which there have been delays/defaults in payment of principal and interest on borrowings, statutory liabilities, salaries to employees and other dues. Also, the Company continues to face lack of adequate sources of finance to fund execution and completion of its ongoing projects resulting in delayed realisation from its customers and lower availability of funds to discharge its liabilities. The company is continuously exploring alternate sources of finance, including sale of non-core assets to generate adequate cash inflows for meeting these obligations and to overcome this liquidity crunch. In the opinion of the Management, no adverse impact is anticipated on future operatons of the company.

46 Trade receivables

Trade receivables include ₹ 18,604.66 lakhs (Previous year ₹ 44,645.81 lakhs) outstanding for a period exceeding six months. Due to continued recession in the industry, there have been delays in collections from customers. In view of industry practice and terms of agreement with customers, all these debts are considered good for recovery and hence no provision is considered necessary.

47 The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 on 28 March, 2018. As per these rules, Ind AS 115 "Revenue from Contracts with customers" has become applicable to the Company for accounting period beginning on or after 1 April, 2018. Accordingly, the Company has applied Ind AS 115 as on the transition date of 1 April, 2018. The Company has applied modified retrospective approach to its real estate projects that were not completed as at 1 April, 2018, accordingly profit recognised on such projects upto 31 March, 2018 amounting to ₹ 63,129.22 lakhs, as per the existing revenue recognition standards has been de-recognised and debited to retained earnings as at 1 April, 2018. 'Cost of goods sold" amounting to ₹ 1,35,515.88 Lakhs has been added to opening inventory with corresponding adjustment of revenue recognised in earlier years to trade receivables / advances from customers. The comparatives have not been restated and hence the current year figures are not comparable to the previous year figures. Due to application of Ind AS 115 for the year ended 31 March, 2019, revenue from operations is higher by ₹ 8,294.89 lakhs, and loss after tax is lower by ₹ 6,888.55 lakhs, than it would have been if the replaced standards were applicable. The basic and diluted EPS for the year is ₹ (5.58) per share instead of ₹ (7.17) per share.

48 The Company has entered into Memorandum of Understandings with its wholly owned subsidiaries for the purpose of transfer of all rights under the concession agreement in respect of its four projects situated at Akshardham Metro Station, Azadpur Metro Station, Seelampur Metro station and Inderlok Metro Station, subject to approval from Delhi Metro Rail Corporation (DMRC). The Company had acquired these development rights under concession agreement with DMRC. Pending transfer, book value of assets/rights (which is higher than the realisable value) under these concession agreements have been classified as 'Assets held for sale'.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

49 In the opinion of the Board of directors, current and non-current assets do have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

50 **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).

51 The Company has no outstanding derivative or foreign currency exposure as at the end of the current year and previous year.

52 The Company is engaged in the business of real estate development, which has been classified as infrastructural facilities as per Schedule VI to the Companies Act, 2013. Accordingly, provisions of section 186 of the Companies Act are not applicable to the company and hence no disclosure under that section is required.

53 Disclosure of loans and advances in the nature of loans given to subsidiaries, associates and other companies in which directors are interested as required by Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:

(₹ in Lakhs)

		Amount outstanding	
		As at 31-March-19	**As at 31-March-18**
a.	Parsvnath Film City Limited	4,848.81	4,847.91
b.	Parsvnath Hotels Limited	1,084.30	826.76
c.	Parsvnath H B Projects Private Limited	6,394.26	5,702.04
d.	Parsvnath Rail Land Project Private Limited	81.48	-
e.	Parsvnath Buildwell Private Limited	4,097.02	1,228.15
f.	Parsvnath Realcon Private Limited	131.48	118.21
g.	PDL Assets Limited	1.45	1.00
h.	Primetime Realtors Private Limited	1.33	-

(₹ in Lakhs)

		Maximum amount outstanding during the year	
		Year ended 31-March-19	**Year ended 31-March-18**
a.	Parsvnath Film City Limited	4,848.81	4,847.91
b.	Parsvnath Hotels Limited	1,084.30	826.76
c.	Parsvnath H B Projects Private Limited	6,394.26	5,702.04
d.	Parsvnath Rail Land Project Private Limited	382.46	566.13
e.	Parsvnath Buildwell Private Limited	4,893.11	1,228.15
f.	Parsvnath Landmark Developers Private Limited	71.56	268.35
g.	Parsvnath Realcon Private Limited	131.48	118.21
h.	PDL Assets Limited	1.45	1.00
i.	Primetime Realtors Private Limited	1.33	-

Note:

All the above loans and advances are repayable on demand and all these advances (except loan to Parsvnath HB Projects Private Limited) are non-interest bearing.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

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

		Year ended 31-March-19	Year ended 31-March-18
a.	Salaries and wages	22.39	10.74
b.	Contribution to provident and other funds	1.03	3.85
c.	Legal and professional charges	8.35	14.89
d.	Licence fee	1,789.56	1,722.82
e.	Miscellaneous expenses	74.43	25.42
		1,895.76	**1,777.72**

55 Details of borrowing costs capitalised during the year: **(₹ in Lakhs)**

		Year ended 31-March-19	Year ended 31-March-18
a.	Intangible assets/assets under development	6,085.75	4,586.74
b.	Inventory	34,350.65	20,742.29
		40,436.40	**25,329.03**

56 Segment information

The chief operating decision maker ('CODM') for the purpose of resource allocation and assessment of segments performance focuses on Real Estate, thus operates in a single business segment. The Company is operating in India, which is considered as single geographical segment. Accordingly, the reporting requirements for segment disclosure as prescribed by Ind AS 108 are not applicable.

57 Employee benefit plans

a Defined contribution plan

The Company makes Provident Fund contributions to Regional Provident Fund Commissioner (RPFC) and ESI contributions to Employees State Insurance Corporation (ESIC), which are defined contribution plans, for qualifying employees. The Company contributes a specified percentage of salary to fund the benefits. The contributions payable to these plans by the Company are at the rates specified in the rules of the scheme. The amount of contribution is as under:

The Company's contributions towards provident fund is charged to the Statement of Profit and Loss comprises

(₹ in Lakhs)

		Year ended 31-March-19	Year ended 31-March-18
a.	Contribution to Provident Fund	42.74	51.69
b.	Contribution to ESI	14.68	17.07
		57.42	**68.76**

b Defined 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

The following table sets out the amount recognised in respect of gratuity in the financial statements: **(₹ in Lakhs)**

Particulars		2018-19	2017-18
i	**Components of employer's expenses:**		
	Current service cost	30.33	41.24
	Past service cost	-	15.28
	Interest cost	33.92	26.04
	Actuarial (gain)/loss	-	-
	Net charge/(credit)	**64.25**	**82.56**
ii	**Actual contribution and benefit**		
	Actual benefit payments	168.90	48.48
	Actual contributions	-	-
		168.90	**48.48**
iii	**Net liabilities/ (assets) recognised**		
	Present value of defined benefit obligation	346.89	434.93
	Fair value of plan assets	-	-
	Net liabilities/ (assets) recognised in the balance sheet	**346.89**	**434.93**
	Note: The fair value of plan assets is Nil, since defined benefit plans are unfunded.		
	Short-term provisions	12.17	26.18
	Long-term provisions	334.72	408.75
		346.89	**434.93**
iv	**Change in defined benefit obligation**		
	Present value of defined benefit obligation at beginning of the year	434.93	354.34
	Current service cost	30.33	41.24
	Past service Cost including curtailment Gains/Losses	-	15.28
	Interest cost	33.92	26.04
	Actuarial (gains)/losses on obligations	16.61	46.51
	Benefits paid	(168.90)	(48.48)
	Present value of DBO at the end of the year	**346.89**	**434.93**
v	**Other comprehensive income (OCI)**		
	Remeasurement of defined benefit obligation	**(16.61)**	**(46.51)**
vi	**Balance sheet reconciliation**		
	Net liability at the beginning of the year	434.93	354.34
	Expenses recognised/(reversed) during the year	64.25	82.56
	Actuarial (gains)/losses	16.61	46.51
	Benefits paid	(168.90)	(48.48)
	Amount recognised in the balance sheet	**346.89**	**434.93**

vii Experience adjustments: **(₹ in Lakhs)**

	Particulars	31.03.2019	31.03.2018	31.03.2017	31.03.2016	31.03.2015
i.	Present value of Defined Benefit Obligation	346.89	434.93	354.34	339.77	337.59
ii.	Fair Value of plan assets	-	-	-	-	-
iii.	Funded status [Surplus/ (Deficit)]	346.89	434.93	354.34	339.77	337.59
iv.	Experience (gain)/loss adjustments on plan liabilities (₹ in Lakh	16.61	46.51	30.96	(0.14)	(79.98)
v.	Experience gain/loss adjustments on plan assets	-	-	-	-	-

viii	Actuarial assumptions	31.03.2019	31.03.2018
a.	**Financial assumptions**		
i.	Discount rate (p.a.)	7.66%	7.80%
ii.	Salary escalation rate (p.a.)	5.00%	5.00%
b.	**Demographic assumptions**		
i.	Retirement age	70 years	70 years
ii	Mortality rate	100% of Indian Assured Lives Mortality (2006-08)	
	- Withdrawal rate		
	Upto 30 years	3.00	3.00
	From 31 to 44 years	2.00	2.00
	Above 44 years	1.00	1.00

ix Sensivity analysis

The sensitivity of the plan obligations to changes in key assumptions are: **(₹ in Lakh)**

		Change in assumption	Change in plan obligation
Discount rate	Increase	0.50 %	(21.73)
	Decrease	0.50 %	23.97
Salary escalation rate	Increase	0.50 %	20.86
	Decrease	0.50 %	(19.96)

c Actuarial assumptions for long-term compensated absences

		31.03.2019	31.03.2018
a.	**Financial assumptions**		
i.	Discount rate (p.a.)	7.66%	7.80%
ii.	Salary escalation rate (p.a.)	5.00%	5.00%
b.	**Demographic assumptions**		
i.	Retirement age	70 years	70 years
ii	Mortality rate	100% of Indian Assured Lives Mortality (2006-08)	
	- Withdrawal rate		
	Upto 30 years	3.00	3.00
	From 31 to 44 years	2.00	2.00
	Above 44 years	1.00	1.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

58 Earnings per Equity Share

(₹ in Lakhs)

		Year ended 31-March-19	Year ended 31-March-18
Profit/(loss) for the year	₹ in lakhs	(24,279.80)	(11,734.85)
Weighted average number of equity shares	No's	43,51,81,170	43,51,81,170
Earning per share - basic	₹	(5.58)	(2.70)
Weighted average number of potential equity shares	No's	-	-
Weighted average number of equity shares	No's	43,51,81,170	43,51,81,170
Earnings per share - diluted	₹	(5.58)	(2.70)
Face value per equity share	₹	5.00	5.00

59 Operating lease arrangements - As lessee

The Company has entered into Concession Agreements with Delhi Metro Rail Corporation (DMRC) and has acquired the License Rights to develop properties and sub license it to the customers for a defined period of time. License fees recognised during the year are as follows:

(₹ in Lakhs)

		Year ended 31-March-19	Year ended 31-March-18
Licence fee			
a.	Charged to statement of profit and loss	554.30	662.02
b.	Capitalised in Intangible assets	1,789.56	1,722.82
		2,343.86	**2,384.84**
Other lease charges			
a.	Charged to statement of profit and loss	**290.98**	**362.03**

Note: Upfront fee paid by the Company has been amortised over licence period and included in licence fee.

The total of future minimum lease payments are as follows:

(₹ in Lakhs)

		As at 31-March-19	As at 31-March-18
a.	Not later than one year	2,882.66	2,493.35
b.	Later than one year but not later than five years	13,456.02	11,668.58
c.	Later than five years	93,373.70	92,531.30
		1,09,712.38	**1,06,693.23**

60 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: **(₹ in Lakhs)**

		As at 31-March-19	As at 31-March-18
Licence fee income			
a.	Recognised in statement of profit and loss	2,204.72	2,326.55
		2,204.72	**2,326.55**

The total of future minimum lease receivables are as follows: **(₹ in Lakhs**

		As at 31-March-19	As at 31-March-18
a.	Not later than one year	1,765.97	1,105.06
b.	Later than one year but not later than five years	2,786.62	1,616.66
c.	Later than five years	357.63	667.51
		4,910.22	**3,389.23**

61 Jointly controlled entity

a. The Company has interests in following joint venture - jointly controlled entity

Name of jointly controlled entity	Nature of project	Ownership interest	Country of residence
Ratan Parsvnath Developers AOP	Real estate	50%	India

b. Financial interest of the Company in jointly controlled entity is as under **(₹ in Lakhs)**

		As at 31-March-19	As at 31-March-18
Company's share of:			
a.	Assets	472.61	470.84
b.	Liabilities	0.56	0.56
c.	Income	-	-
d.	Expenditure	0.24	0.23
e.	Tax	-	-
f.	Capital commitment	-	-
g.	Contingent liabilities	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

62 Related party transactions

a. **List of related parties**

i. ***Subsidiary Companies***

- Parsvnath Infra Limited
- Parsvnath Film City Limited
- Parsvnath Landmark Developers Private Limited
- Parsvnath Telecom Private Limited
- Parsvnath Hotels Limited
- PDL Assets Limited
- Parsvnath Developers Pte. Ltd. (Overseas subsidiary -Singapore)
- Primetime Realtors Private Limited
- Parsvnath Estate Developers Private Limited
- Parsvnath Promoters And Developers Private Limited
- Parsvnath Hessa Developers Private Limited
- Parsvnath MIDC Pharma SEZ Private Limited
  (Subsidiary of Parsvnath Infra Limited)
- Parsvnath Buildwell Private Limited
- Paravnath Realty Ventures Limited
- Vasavi PDL Ventures Private Limited
- Parsvnath Realcon Private Limited
  (Subsidiary of Parsvnath Buildwell Private Limited)
- Parsvnath HB Projects Private Limited
- Farhad Realtors Private Limited
- Parsvnath Rail Land Project Private Limited
- Jarul Promoters & Developers Private Limited *
- Suksma Buildtech Private Limited *

** Became Subsidiary w.e.f. 16 March, 2019.*

Subsidiary companies by virtue of Accounting Standard (Ind AS-110) on 'Consolidated Financial Statements':

- Aahna Realtors Private Limited
- Afra Infrastructure Private Limited
- Anubhav Buildwell Private Limited
- Arctic Buildwell Private Limited
- Arunachal Infrastructure Private Limited
- Bae Buildwell Private Limited
- Bakul Infrastructure Private Limited
- Banita Buildcon Private Limited
- Bliss Infrastructure Private Limited
- Brinly Properties Private Limited
- Coral Buildwell Private Limited
- Dae Realtors Private Limited
- Dai Real Estates Private Limited
- Dhiren Real Estates Private Limited
- Elixir Infrastructure Private Limited
- Gem Buildwell Private Limited
- Generous Buildwell Private Limited
- Digant Realtors Private Limited (Upto 31.03.2018)
- Himsagar Infrastructure Private Limited
- Izna Realcon Private Limited
- Emerald Buildwell Private Limited
- Evergreen Realtors Private Limited
- Jaguar Buildwell Private Limited
- Label Real Estates Private Limited
- Lakshya Realtors Private Limited
- LSD Realcon Private Limited
- Mirage Buildwell Private Limited
- Navneet Realtors Private Limited
- New Hind Enterprises Private Limited
- Oni Projects Private Limited
- Paavan Buildcon Private Limited
- Perpetual Infrastructure Private Limited
- Prosperity Infrastructures Private Limited
- Rangoli Infrastructure Private Limited
- Samiksha Realtors Private Limited
- Neelgagan Realtors Private Limited
- Sapphire Buildtech Private Limited
- Silversteet Infrastructure Private Limited
- Springdale Realtors Private Limited
- Stupendous Buildtech Private Limited
- Sumeru Developers Private Limited
- Vital Buildwell Private Limited
- Spearhead Realtors Private Limited
- Trishla Realtors Private Limited
- Yamuna Buildwell Private Limited

ii. Entities over which the Company, subsidiary companies or key management personnel or their relatives, exercise significant influence

- Adela Buildcon Private Limited
- Amazon India Limited *
- Ashirwad Realtors Private Limited
- Baasima Buildcon Private Limited
- Baidehi Infrastructure Private Limited
- Balbina Real Estates Private Limited
- Charushila Buildwell Private Limited
- Congenial Real Estates Private Limited
- Cyanea Real Estate Private Limited
- Deborah Real Estate Private Limited
- Deleena Developers Private Limited
- Enormity Buildcon Private Limited
- Farhad Realtors Private Limited $
- Gauranga Realtors Private Limited
- Gauresh Buildwell Private Limited
- Homelife Real Estate Private Limited *
- Janak Finance & Leasing Private Limited
- Jarul Promoters & Developers Private Limited #
- Jodhpur Infrastructure Private Limited
- K.B. Realtors Private Limited (Upto 06 March,2019)
- Laban Real Estates Private Limited (Upto 06 March,2019)
- Landmark Malls and Towers Private Limited (Upto 06 March,2019)
- Landmark Township Planners Private Limited (Upto 06 March,2019)
- Madhukanta Real Estate Private Limited
- Magic Promoters Private Limited
- Mahanidhi Buildcon Private Limited
- Neha Infracon (India) Private Limited
- Nilanchal Realtors Private Limited (Upto 06 March,2019)
- Noida Marketing Private Limited
- P.S. Realtors Private Limited (Upto 06 March,2019)
- Parasnath And Associates Private Limited
- Parasnath Travels & Tours Private Limited
- Parsvnath Biotech Private Limited
- Parsvnath Cyber City Private Limited
- Parsvnath Dehradun Info Park Private Limited
- Parsvnath Developers (GMBT) Private Limited
- Parsvnath Developers (SBBT) Private Limited
- Parsvnath Gurgaon Info Park Private Limited
- Parsvnath Indore Info Park Private Limited
- Parsvnath Knowledge Park Private Limited
- Parsvnath Retail Limited
- Pearl Propmart Private Limited
- Pradeep Kumar Jain & Sons (HUF)
- Rangoli Buildcon Private Limited
- Sadgati Buildcon Private Limited
- Scorpio Realtors Private Limited
- Snigdha Buildwell Private Limited
- Suksma Buildtech Private Limited #
- Timebound Contracts Private Limited
- Vardaan Buildtech Private Limited *

** Associates of the Company*
 # Became subsidiary w.e.f. 16 March, 2019.
$ Became subsidiary w.e.f. 29 July, 2017.

iii. Joint Ventures

- Ratan Parsvnath Developers (AOP)

iv. Key Management Personnel

- Mr. Pradeep Kumar Jain, Chairman
- Mr. Sanjeev Kumar Jain, Managing Director and CEO
- Dr. Rajeev Jain, Whole-time Director

v. Relatives of Key Management Personnel (with whom the Company had transactions)

Mrs. Nutan Jain (Wife of Mr. Pradeep Kumar Jain, Chairman)

vi. Non-Executive and Independent Directors

- Mr. Ashok Kumar
- Dr. Pritam Singh
- Ms. Deepa Gupta
- Mr. Mahendra Nath Verma

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in Lakhs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
b. Transactions / balances outstanding with related parties:					
(i) Transactions during the year					
Advances given					
Parsvnath Film City Limited	0.90	-	-	-	**0.90**
	0.80	-	-	-	***0.80***
Parsvnath Landmark Developers Private Limited	674.71	-	-	-	**674.71**
	120.35	-	-	-	***120.35***
Parsvnath Rail Land Project Private Limited	288.00	-	-	-	**288.00**
	672.23	-	-	-	**672.23**
Parsvnath Realcon Private Limited	13.27	-	-	-	**13.27**
	81.25	-	-	-	***81.25***
Parsvnath Hotels Limited	257.54	-	-	-	**257.54**
	388.71	-	-	-	***388.71***
Parsvnath HB Projects Private Limited	701.99	-	-	-	**701.99**
	793.12	-	-	-	***793.12***
PDL Assets Limited	0.45	-	-	-	**0.45**
	-	-	-	-	-
Primetime Realtors Private Limited	1.33	-	-	-	**1.33**
	-	-	-	-	-
DAI Real Estates Private Limited	-	-	-	-	-
	10.67	-	-	-	***10.67***
Parsvnath Buildwell Private Limited	4,252.43	-	-	-	**4,252.43**
	759.63	-	-	-	***759.63***
Lakshya Realtors Private Limited	-	-	-	-	-
	40.94	-	-	-	***40.94***
	6,190.62	-	-	-	**6,190.62**
	2,867.70	-	-	-	**2,867.70**
Advance received					
Parsvnath Infra Limited	100.00	-	-	-	100.00
	-	-	-	-	-
	100.00	-	-	-	**100.00**
	-	-	-	-	-
Advance received back during the year					
Parsvnath Landmark Developers Private Limited	674.71	-	-	-	**674.71**
	127.46	-	-	-	***127.46***
Parsvnath Buildwell Private Limited	1,383.56	-	-	-	**1,383.56**
	-	-	-	-	-
Parsvnath Rail Land Project Private Limited	206.52	-	-	-	**206.52**
	672.23	-	-	-	***672.23***

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in Lakhs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
Parsvnath HB Projects Private Limited	9.77	-	-	-	**9.77**
	-	-	-	-	**-**
Others (each having less than 10% of transactions)	71.18	-	-	-	**71.18**
	373.37	*1.08*	-	-	***374.45***
	2,345.74	**-**	**-**	**-**	**2,345.74**
	1,173.06	***1.08***	**-**	**-**	***1,174.14***
Advances repaid					
Parsvnath Buildwell Private Limited	650.00	-	-	-	**650.00**
	-	-	-	-	**-**
	650.00	**-**	**-**	**-**	**650.00**
	-	**-**	**-**	**-**	**-**
Purchase of development rights					
LSD Realcon Private Limited	-		-	-	**-**
	114.78	-	-	-	***114.78***
Vital Buildwell Private Limited	-	-	-	-	**-**
	111.11	-	-	-	***111.11***
Evergreen Realtors Private Limited	11.21	-	-	-	**11.21**
	23.76	-	-	-	***23.76***
Neelgagan Realtors Private Limited	35.93	-	-	-	**35.93**
	30.54	-	-	-	***30.54***
Jaguar Buildwell Private Limited	-	-	-	-	**-**
	8.69	-	-	-	***8.69***
Yamuna Buildwell Private Limited	14.60	-	-	-	**14.60**
	77.05	-	-	-	***77.05***
Digant Realtors Private Limited	-	-	-	-	**-**
	520.65	-	-	-	***520.65***
	61.74	**-**	**-**	**-**	**61.74**
	886.58	**-**	**-**	**-**	***886.58***
Advances received against transfer / sale of Intangible Assets					
Jarul Promoters & Developers Private Limited	3,500.00	-	-	-	**3,500.00**
	-	-	-	-	**-**
Parsvnath Realty Ventures Limited	11,000.00	-	-	-	**11,000.00**
	-	-	-	-	**-**
PDL Assets Limited	3,500.00	-	-	-	**3,500.00**
	-	-	-	-	**-**
	18,000.00	**-**	**-**	**-**	**18,000.00**
	-	**-**	**-**	**-**	**-**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in Lakhs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
Sale of development rights					
Evergreen Realtors Private Limited	30.83	-	-	-	**30.83**
	65.70	-	-	-	***65.70***
Neelgagan Realtors Private Limited	240.09	-	-	-	**240.09**
	85.67	-	-	-	***85.67***
Jaguar Buildwell Private Limited	-	-	-	-	**-**
	25.34	-	-	-	***25.34***
Yamuna Buildwell Private Limited	110.66	-	-	-	**110.66**
	221.16	-	-	-	***221.16***
LSD Realcon Private Limited	-	-	-	-	**-**
	183.13	-	-	-	***183.13***
Vital Buildwell Private Limited	-	-	-	-	**-**
	44.69	-	-	-	***44.69***
	381.58	**-**	**-**	**-**	**381.58**
	625.69	**-**	**-**	**-**	***625.69***
Advance paid for purchase of land / Property					
Arctic Buildwell Private Limited	2.19	-	-	-	**2.19**
	-	-	-	-	**-**
Arunachal Infrastructure Private Limited	0.11	-	-	-	**0.11**
	50.00	-	-	-	***50.00***
Prosperity Infrastructures Private Limited	2.06	-	-	-	**2.06**
	25.00	-	-	-	***25.00***
Stupendous Buildtech Private Limited	1.31	-	-	-	**1.31**
	0.20	-	-	-	***0.20***
Others (each having less than 10% of transactions)	3.08	-	-	-	**3.08**
	277.00	-	-	-	***277.00***
	8.75	**-**	**-**	**-**	**8.75**
	352.20	**-**	**-**	**-**	***352.20***
Security deposit received					
Parsvnath Rail Land Project Private Limited	-	-	-	-	**-**
	1,100.00	-	-	-	***1,100.00***
Parsvnath Hessa Developers Private Limited	79.03	-	-	-	**79.03**
	490.67	-	-	-	***490.67***
	79.03	**-**	**-**	**-**	**79.03**
	1,590.67	**-**	**-**	**-**	***1,590.67***
Advance / Refundable Security deposit received against property					
Parsvnath Estate Developers Private Limited	1,636.00	-	-	-	**1,636.00**
	2,097.75	-	-	-	***2,097.75***
Parsvnath Landmark Developers Private Limited	-	-	-	-	**-**
	959.50	-	-	-	***959.50***
	1,636.00	**-**	**-**	**-**	**1,636.00**
	3,057.25	**-**	**-**	**-**	***3,057.25***

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in Lakhs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
Refund of security deposits					
Parsvnath Hessa Developers Private Limited	60.26	-	-	-	**60.26**
	5,550.38	-	-	-	***5,550.38***
Parsvnath Rail Land Project Private Limited	267.50	-	-	-	**267.50**
	-	-	-	-	-
Parsvnath Estate Developers Private Limited	19,673.12	-	-	-	**19,673.12**
	3,998.66	-	-	-	***3,998.66***
	20,000.88	**-**	**-**	**-**	**20,000.88**
	9,549.04	**-**	**-**	**-**	***9,549.04***
Redemption of debentures / share warrants (Amount received)					
Parsvnath Hessa Developers Private Limited (Debentures)	-	-	-	-	-
	669.27	-	-	-	***669.27***
	-	**-**	**-**	**-**	**-**
	669.27	**-**	**-**	**-**	***669.27***
Sale of goods / material					
Parsvnath Landmark Developers Private Limited	9.75	-	-	-	**9.75**
	-	-	-	-	-
	9.75	**-**	**-**	**-**	**9.75**
	-	**-**	**-**	**-**	**-**
Purchase of goods / material					
Parsvnath Landmark Developers Private Limited	4.16	-	-	-	**4.16**
	-	-	-	-	-
	4.16	**-**	**-**	**-**	**4.16**
	-	**-**	**-**	**-**	**-**
Cancellation of sale of plots					
Parsvnath Landmark Developers Private Limited	235.57	-	-	-	**235.57**
	841.02	-	-	-	***841.02***
	235.57	**-**	**-**	**-**	**235.57**
	841.02	**-**	**-**	**-**	***841.02***
Purchase of Investments / Shares					
New Hind Enterprises Private Limited	5.50	-	-	-	**5.50**
	0.50	-	-	-	***0.50***
Parasnath And Associates Private Limited	-	5.50	-	-	**5.50**
	-	*0.50*	-	-	**0.50**
	5.50	**5.50**	**-**	**-**	**11.00**
	0.50	***0.50***	**-**	**-**	***1.00***
Interest income on debentures					
Parsvnath Buildwell Private Limited	-	-	-	-	-
	167.96	-	-	-	***167.96***
	-	**-**	**-**	**-**	**-**
	167.96	**-**	**-**	**-**	***167.96***

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in Lakhs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
Interest income on advances					
Parsvnath HB Projects Private Limited	581.12	-	-	-	**581.12**
	511.79	-	-	-	***511.79***
	581.12	**-**	**-**	**-**	**581.12**
	511.79	**-**	**-**	**-**	***511.79***
Share of profit/(loss) from AOP					
Ratan Parsvnath Developers AOP	-	-	(0.24)	-	**(0.24)**
	-	-	*(0.23)*	-	***(0.23)***
	-	**-**	**(0.24)**	**-**	**(0.24)**
	-	**-**	***(0.23)***	**-**	***(0.23)***
Interest paid (Expense)					
Parsvnath Estate Developers Private Limited	13.93	-	-	-	**13.93**
	13.93	-	-	-	***13.93***
Parsvnath Buildwell Private Limited	1.27	-	-	-	**1.27**
	1.27	-	-	-	***1.27***
Parsvnath Hessa Developers Private Limited	0.64	-	-	-	**0.64**
	0.64	-	-	-	***0.64***
	15.84	**-**	**-**	**-**	**15.84**
	15.84	**-**	**-**	**-**	***15.84***
Rent paid (Expense)					
Pradeep Kumar Jain	-	-	-	6.91	**6.91**
	-	-	-	*6.91*	***6.91***
Nutan Jain	-	-	-	51.13	**51.13**
	-	-	-	*46.90*	***46.90***
Pradeep Kumar Jain & Sons (HUF)	-	7.78	-	-	**7.78**
	-	*7.91*	-	-	***7.91***
	-	**7.78**	**-**	**58.04**	**65.82**
	-	***7.91***	**-**	***53.81***	***61.72***
Reimbursement of expenses (paid)					
Parsvnath Buildwell Private Limited	12.92	-	-	-	**12.92**
	31.21	-	-	-	***31.21***
	12.92	**-**	**-**	**-**	**12.92**
	31.21	**-**	**-**	**-**	***31.21***
Corporate guarantee given for					
Parsvnath Rail Land Project Private Limited	-	-	-	-	**-**
	2,000.00	-	-	-	***2,000.00***
Parsvnath Estate Developers Private Limited	-	-	-	-	**-**
	12,500.00	-	-	-	***12,500.00***
Vardaan Buildtech Private Limited	-	3,200.00	-	-	**3,200.00**
	-	-	-	-	-
	-	**3,200.00**	**-**	**-**	**3,200.00**
	14,500.00	**-**	**-**	**-**	***14,500.00***

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in Lakhs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
Corporate guarantee given for - Ceased					
Parsvnath Buildwell Private Limited	72.35	-	-	-	**72.35**
	-	-	-	-	-
	72.35	-	-	-	**72.35**
	-	-	-	-	-
Corporate guarantee given by - Ceased					
Primetime Realtors Private Limited	2,610.00	-	-	-	**2,610.00**
	-	-	-	-	-
Parsvnath Hotels Limited	-	-	-	-	-
	2,000.00	-	-	-	***2,000.00***
	2,610.00	-	-	-	**2,610.00**
	2,000.00	-	-	-	***2,000.00***
Corporate guarantee received					
Parsvnath Hotels Limited	18,000.00	-	-	-	**18,000.00**
	-	-	-	-	-
Primetime Realtors Private Limited	-	-	-	-	-
	83,710.00	-	-	-	***83,710.00***
	18,000.00	-	-	-	**18,000.00**
	83,710.00	-	-	-	***83,710.00***
Sitting fees paid to directors					
Mr. AshoK Kumar	-	-	-	5.40	**5.40**
	-	-	-	*6.00*	***6.00***
Dr. Pritam Singh	-	-	-	3.50	**3.50**
	-	-	-	*6.00*	***6.00***
Ms. Deepa Gupta	-	-	-	5.60	**5.60**
	-	-	-	*5.70*	***5.70***
Mr. Mahendra Nath Verma	-	-	-	4.50	**4.50**
	-	-	-	*6.00*	***6.00***
	-	-	-	**19.00**	**19.00**
	-	-	-	***23.70***	***23.70***
(ii) Balances at the year end					
Trade receivables					
Parsvnath Landmark Developers Private Limited	-	-	-	-	-
	8.06	-	-	-	***8.06***
Parsvnath Realcon Private Limited	300.00	-	-	-	**300.00**
	300.00	-	-	-	***300.00***
	300.00	-	-	-	**300.00**
	308.06	-	-	-	***308.06***

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in Lakhs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
Interest accrued on investments					
Parsvnath Buildwell Private Limited	-	-	-	-	-
	650.10	-	-	-	***650.10***
Parsvnath Promoters And Developers Private Limited	5,053.52	-	-	-	**5053.52**
	5,053.52	-	-	-	***5,053.52***
Parsvnath Rail Land Project Private Limited	712.89	-	-	-	**712.89**
	712.89	-	-	-	***712.89***
	5,766.41	-	-	-	**5,766.41**
	6,416.51	-	-	-	***6,416.51***
Advances for land purchase / Property					
Brinly Properties Private Limited	1,729.23	-	-	-	**1,729.23**
	1,729.13	-	-	-	***1,729.13***
Generous Buildwell Private Limited	1,937.76	-	-	-	**1,937.76**
	1,937.65	-	-	-	***1,937.65***
LSD Realcon Private Limited	1,419.10	-	-	-	**1,419.10**
	1,418.99	-	-	-	***1,418.99***
Others (each having less than 10% of balance outstanding	8,555.46	-	-	-	**8,555.46**
	8,717.39	-	-	-	***8,717.39***
	13,641.55	-	-	-	**13,641.55**
	13,803.16	-	-	-	***13,803.16***
Short-term / long-term loans and advances					
Parsvnath Rail Land Project Private Limited	81.48	-	-	-	**81.48**
	-	-	-	-	-
Primetime Realtors Private Limited	1.33	-	-	-	**1.33**
	-	-	-	-	-
Parsvnath Film City Limited	4,848.81	-	-	-	**4,848.81**
	4,847.91	-	-	-	***4,847.91***
Parsvnath Realcon Private Limited	131.48	-	-	-	**131.48**
	118.21	-	-	-	***118.21***
Parsvnath Hotels Limited	1,084.30	-	-	-	**1,084.30**
	826.76	-	-	-	***826.76***
Parsvnath HB Projects Private Limited	6,394.26	-	-	-	**6,394.26**
	5,702.04	-	-	-	***5,702.04***
PDL Assets Limited	1.45	-	-	-	**1.45**
	1.00	-	-	-	***1.00***
Parsvnath Buildwell Private Limited	4,097.02	-	-	-	**4,097.02**
	1,228.15	-	-	-	***1,228.15***
	16,640.13	-	-	-	**16,640.13**
	12,724.07	-	-	-	***12,724.07***

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in Lakhs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
Security deposit (assets)					
Nutan Jain	-	-	-	11.36	**11.36**
	-	-	-	*11.36*	***11.36***
	-	**-**	**-**	**11.36**	**11.36**
	-	**-**	**-**	***11.36***	***11.36***
Trade / Other payables					
Parsvnath Infra Limited	1,134.33	-	-	-	**1,134.33**
	1,168.31	-	-	-	***1,168.31***
Parsvnath Buildwell Private Limited	-	-	-	-	**-**
	3.20	-	-	-	***3.20***
Pradeep Kumar Jain (HUF)	-	1.17	-	-	**1.17**
	-	*1.17*	-	-	***1.17***
Nutan Jain	-	-	-	-	**-**
	-	-	-	*7.80*	***7.80***
Pradeep Kumar Jain	-	-	-	1.56	**1.56**
	-	-	-	*1.72*	***1.72***
Timebound Contracts Private Limited	-	-	-	-	**-**
	-	*2.25*	-	-	***2.25***
Jodhpur Infrastructure Private Limited	-	-	-	-	**-**
	-	*12.17*	-	-	***12.17***
	1,134.33	**1.17**	**-**	**1.56**	**1,137.06**
	1,171.51	***15.59***	**-**	***9.52***	***1,196.62***
Other Advances received					
Jodhpur Infrastructure Private Limited	-	12.17	-	-	**12.17**
	-	-	-	-	**-**
Timebound Contracts Private Limited	-	0.90	-	-	**0.90**
	-	-	-	-	**-**
Vital Buildwell Private Limited	1.42	-	-	-	**1.42**
	-	-	-	-	**-**
	1.42	**13.07**	**-**	**-**	**14.49**
	-	**-**	**-**	**-**	**-**
Advances from customers					
Parsvnath Landmark Developers Private Limited	777.49	-	-	-	**777.49**
	613.35	-	-	-	***613.35***
Parsvnath Hotels Limited	490.11	-	-	-	**490.11**
	490.11	-	-	-	***490.11***
Parsvnath Buildwell Private Limited	-	-	-	-	**-**
	650.00	-	-	-	***650.00***
Parsvnath Infra Limited	185.00	-	-	-	**185.00**
	85.00	-	-	-	***85.00***
Parsvnath MIDC Pharma SEZ Private Limited	206.00	-	-	-	**206.00**
	206.00	-	-	-	***206.00***
	1,658.60	**-**	**-**	**-**	**1,658.60**
	2,044.46	**-**	**-**	**-**	***2,044.46***

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in Lakhs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
Advances received against transfer / sale of Other Intangible Assets & Intangible Assets under development					
Jarul Promoters & Developers Private Limited	3,500.00	-	-	-	**3,500.00**
	-	-	-	-	**-**
Parsvnath Realty Ventures Limited	11,000.00	-	-	-	**11,000.00**
	-	-	-	-	**-**
PDL Assets Limited	3,500.00	-	-	-	**3,500.00**
	-	-	-	-	**-**
	18,000.00	**-**	**-**	**-**	**18,000.00**
	-	**-**	**-**	**-**	**-**
Interest payable					
Parsvnath Estate Developers Private Limited	-	-	-	-	**-**
	19.79	-	-	-	***19.79***
	-	**-**	**-**	**-**	**-**
	19.79	**-**	**-**	**-**	***19.79***
Security deposits (liability)					
Parsvnath Estate Developers Private Limited	2,349.92	-	-	-	**2,349.92**
	20,387.04	-	-	-	***20,387.04***
Parsvnath Buildwell Private Limited	13.74	-	-	-	**13.74**
	13.74	-	-	-	***13.74***
Parsvnath Landmark Developers Private Limited	3,959.50	-	-	-	**3,959.50**
	3,959.50	-	-	-	***3,959.50***
Parsvnath Hessa Developers Private Limited	2,133.02	-	-	-	**2,133.02**
	2,114.25	-	-	-	***2,114.25***
Parsvnath Rail Land Project Private Limited	832.50	-	-	-	**832.50**
	1,100.00	-	-	-	***1,100.00***
	9,288.68	**-**	**-**	**-**	**9,288.68**
	27,574.53	**-**	**-**	**-**	***27,574.53***
Interest accrued on margin money deposit					
Parsvnath Buildwell Private Limited	-	-	-	-	**-**
	1.14	-	-	-	***1.14***
Parsvnath Hessa Developers Private Limited	4.07	-	-	-	**4.07**
	3.49	-	-	-	***3.49***
	4.07	**-**	**-**	**-**	**4.07**
	4.63	**-**	**-**	**-**	**4.63**
Corporate guarantee given for loans					
Parsvnath Hotels Limited	1,268.00	-	-	-	**1,268.00**
	1,268.00	-	-	-	***1,268.00***
Parsvnath Landmark Developers Private Limited	20,000.00	-	-	-	**20,000.00**
	20,000.00	-	-	-	***20,000.00***

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in Lakhs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
Parsvnath Estate Developers Private Limited	1,07,700.00	-	-	-	**1,07,700.00**
	1,07,700.00	-	-	-	***1,07,700.00***
Parsvnath Rail Land Project Private Limited	7,500.00	-	-	-	**7,500.00**
	7,500.00	-	-	-	***7,500.00***
Vardaan Buildtech Private Limited	-	3,200.00	-	-	**3,200.00**
	-	-	-	-	**-**
	1,36,468.00	**3,200.00**	**-**	**-**	**1,39,668.00**
	1,36,468.00	**-**	**-**	**-**	***1,36,468.00***
Corporate guarantee given for					
Parsvnath Buildwell Private Limited	11.81	-	-	-	***11.81***
	84.16	-	-	-	***84.16***
Parsvnath Estate Developers Private Limited	672.00	-	-	-	**672.00**
	672.00	-	-	-	***672.00***
	683.81	**-**	**-**	**-**	**683.81**
	756.16	**-**	**-**	**-**	***756.16***
Corporate guarantee given by					
Parsvnath Infra Limited	22,500.00	-	-	-	**22,500.00**
	22,500.00	-	-	-	***22,500.00***
Parsvnath Hotels Limited	18,000.00	-	-	-	**18,000.00**
	-	-	-	-	**-**
Primetime Realtors Private Limited	1,45,200.00	**-**	**-**	**-**	**1,45,200.00**
	1,47,810.00	-	-	-	***1,47,810.00***
	1,85,700.00	**-**	**-**	**-**	**1,85,700.00**
	1,70,310.00	**-**	**-**	**-**	***1,70,310.00***
Guarantee for loans					
Chairman and whole-time Directors	**-**	**-**	**-**	1,74,967.43	**1,74,967.43**
	-	**-**	**-**	*2,08,903.83*	***2,08,903.83***
	-	**-**	**-**	**1,74,967.43**	**1,74,967.43**
	-	**-**	**-**	***2,08,903.83***	***2,08,903.83***
Investments held					
Parsvnath Landmark Developers Private Limited (Equity shares)	7,598.03	-	-	-	**7,598.03**
	7,598.03	-	-	-	***7,598.03***
Parsvnath Infra Limited (Equity shares)	2,604.94	-	-	-	**2,604.94**
	2,604.94	-	-	-	***2,604.94***
Parsvnath Film City Limited (Equity shares)	175.00	-	-	-	**175.00**
	175.00	-	-	-	***175.00***
Parsvnath Realty Ventures Limited (Equity shares)	5.00	-	-	-	**5.00**
	5.00	-	-	-	***5.00***
Vasavi PDL Ventures Private Limited (Equity shares)	2.55	-	-	-	**2.55**
	2.55	-	-	-	***2.55***

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in Lakhs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
Parsvnath Telecom Private Limited (Equity shares)	103.00	-	-	-	**103.00**
	103.00	-	-	-	***103.00***
Parsvnath Hotels Limited (Equity shares)	1,350.00	-	-	-	**1,350.00**
	1,350.00	-	-	-	***1,350.00***
PDL Assets Limited (Equity shares)	6.00	-	-	-	**6.00**
	6.00	-	-	-	***6.00***
Parsvnath Developers Pte. Limited (Equity shares)	145.49	-	-	-	**145.49**
	145.49	-	-	-	***145.49***
Primetime Realtors Private Limited (Equity shares)	1.00	-	-	-	**1.00**
	1.00	-	-	-	***1.00***
Parsvnath Promoters And Developers Private Limited (Equity shares)	1,657.99	-	-	-	**1,657.99**
	1,657.99	-	-	-	***1,657.99***
Parsvnath Estate Developers Private Limited (Equity shares)	498.90	-	-	-	**498.90**
	498.90	-	-	-	***498.90***
Parsvnath Hessa Developers Private Limited (Equity shares)	11,755.90	-	-	-	**11,755.90**
	11,755.90	-	-	-	***11,755.90***
Amazon India Limited (Equity shares)	-	212.50	-	-	**212.50**
	-	*212.50*	-	-	***212.50***
Home Life Real Estate Private Limited (Equity shares)	-	77.50	-	-	**77.50**
	-	*77.50*	-	-	***77.50***
Vardaan Buildtech Private Limited (Equity shares)	-	1.60	-	-	**1.60**
	-	*1.60*	-	-	***1.60***
Ratan Parsvnath Developers (AOP) (Capital contribution)	-	-	813.73	-	**813.73**
	-	-	*813.97*	-	***813.97***
Parsvnath Buildwell Private Limited (Equity shares and Prefrence shares)	10,148.75	-	-	-	**10,148.75**
	9,913.50	-	-	-	***9,913.50***
Parsvnath Buildwell Private Limited (Debentures)	10,926.72	-	-	-	**10,926.72**
	1,083.59	-	-	-	***1,083.59***
Parsvnath Promoters And Developers Private Limited (Debentures)	9,343.01	-	-	-	**9,343.01**
	9,343.01	-	-	-	***9,343.01***
Farhad Realtors Private Limited (Equity Shares)	1.00	-	-	-	**1.00**
	1.00	-	-	-	***1.00***
Jarul Promoters & Developers Private Limited (Equity Shares)	10.00	-	-	-	**10.00**
	-	-	-	-	**-**
Suksma Buildtech Private Limited (Equity Shares)	1.00	-	-	-	**1.00**
	-	-	-	-	**-**
Parsvnath Rail Land Project Private Limited (Equity shares)	1,145.00	-	-	-	**1,145.00**
	1,145.00	-	-	-	***1,145.00***
Parsvnath HB Projects Private Limited (Equity shares)	2.50	-	-	-	**2.50**
	2.50	-	-	-	***2.50***

(₹ in Lakhs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
Parsvnath Rail Land Project Private Limited (Debentures)	3,220.19	-	-	-	**3,220.19**
	3,220.19	-	-	-	**3,220.19**
	60,701.97	**291.60**	**813.73**	**-**	**61,807.30**
	50,612.59	***291.60***	***813.97***	**-**	***51,718.16***

Note:

- Figures in italics represents figures as at and for the year ended 31 March, 2018.

Terms and conditions of transactions with related parties

All related party transactions entered during the year were in ordinary course of business and are on arm's length basis. Loans given to wholly owned subsidiaries are unsecured and interest free. For the year ended 31 March, 2019, the Company has not recorded any impairment of receivables from related parties (31 March, 2018 - 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.

63 Financial Instruments

The carrying amounts and fair values of financial instruments by categories is as follows: **(₹ in Lakhs)**

		As at 31-March-19				As at 31-March-18			
		Total	Amortised Cost	At cost	FVTPL	Total	Amortised Cost	At cost	FVTPL
	Financial assets								
i.	Investments	91,710.58	28,855.03	61,807.30	1,048.25	52,766.41	-	51,718.16	1,048.25
ii.	Trade receivables	26,924.47	26,924.47	-	-	58,646.77	58,646.77	-	-
iii.	Cash and cash equivalents	2,944.51	2,944.51	-	-	463.70	463.70	-	-
iv.	Bank balances other than (iii) above	5,593.80	5,593.80	-	-	5,595.94	5,595.94	-	-
v.	Loans	16,658.17	16,658.17	-	-	12,728.66	12,728.66	-	-
vi.	Other financial assets	25,144.38	25,144.38	-	-	26,104.67	26,104.67	-	-
	Total financial assets	**1,68,975.91**	**1,06,120.36**	**61,807.30**	**1,048.25**	**1,56,306.15**	**1,03,539.74**	**51,718.16**	**1,048.25**
	Financial liabilities								
i.	Borrowings	1,20,635.93	1,20,635.93	-	-	1,47,781.14	1,47,781.14	-	-
ii.	Trade Payables	71,059.01	71,059.01	-	-	68,870.67	68,870.67	-	-
iii.	Other financial liabilities	1,04,701.40	1,04,701.40	-	-	1,18,158.33	1,18,158.33	-	-
	Total financial liabilities	**2,96,396.34**	**2,96,396.34**	**-**	**-**	**3,34,810.14**	**3,34,810.14**	**-**	**-**

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

Fair value hierarchy

The fair value of financial instruments have been classified into three categories depending on the inputs used in the valuation technique

The categories used are as follows:
Level 1: Quoted prices for identical instruments in an active market
Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs
Level 3: Inputs which are not based on observable market date

(₹ in Lakhs)

	As at 31-March-19		As at 31-March-18	
	Carrying amount	Category	Carrying amount	Category
Investment carried at fair value through profit and loss	1,048.25	Level 3	1,048.25	Level 3

64 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, investment in subsidiaries/joint venture/associates and loans to its subsidiaries.

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

Liquidity Risk

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

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

(₹ in Lakhs)

	Carrying amount	Payable within 1 year	Payable in 1-3 years	Payable in 3-5 years	Payable more than 5 years
As at 31 March, 2019					
Borrowings	1,84,554.72	91,978.13	64,106.52	23,081.70	5,388.37
Trade payables	71,059.01	65,165.84	5,673.17	220.00	-
Other financial liabilities	40,782.61	34,626.47	19.67	4,881.38	1,255.09
	2,96,396.34	**1,91,770.44**	**69,799.36**	**28,183.08**	**6,643.46**
As at 31 March, 2018					
Borrowings	2,13,056.87	92,543.69	82,340.12	38,100.49	72.57
Trade payables	68,870.67	65,716.58	2,934.09	220.00	-
Other financial liabilities	52,882.60	21,288.84	304.79	21,197.76	10,091.21
	3,34,810.14	**1,79,549.11**	**85,579.00**	**59,518.25**	**10,163.78**

Note: Current maturities of long term debt have been excluded from Other financial liabilities and included under Borrowings.

Financing facilities (₹ in Lakhs)

	As at 31-March-19	As at 31-March-18
Secured bank overdraft facility :		
-amount used	7,027.72	8,115.84
-amount unused	-	-

Market risk

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

A. Interest rate risk

Interest rate risk is the risk that the future cash flows will fluctuate due to changes in market interest rates. The Company is mainly exposed to the interest rate risk due to its borrowings. The Company manages its interest rate risk by having balanced portfolio of fixed and variable rate borrowings. The Company does not enter into any interest rate swaps.

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: **(₹ in Lakhs)**

	As at 31-March-19	As at 31-March-18
Variable rate borrowings		
Long term	1,46,198.11	1,76,321.78
Short term	38,356.61	36,735.09
Total variable rate borrowing	**1,84,554.72**	**2,13,056.87**
Fixed rate borrowings		
Long term	-	-
Short term	-	-
Total fixed rate borrowings	**-**	**-**
Total borrowings	**1,84,554.72**	**2,13,056.87**

Sensitivity

Variable Interest rate loans are exposed to interest rate risk, the impact on profit or loss before tax may be as follows:

(₹ in Lakhs)

	Year ended 31-March-19	Year ended 31-March-18
Actual interest cost	44,986.73	30,706.51
if ROI is increased by 1% on outstanding loans	2,067.25	2,312.24
Total interest cost	47,053.98	33,018.75
if ROI is decreased by 1% on outstanding loans	2,067.25	2,312.24
Total interest cost	42,919.48	28,394.27

B. Price risk

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

Credit Risk

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

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

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

	As at 31-March-19	As at 31-March-18
Outstanding for more than 6 months	18,604.66	44,645.81
Outstanding for 6 months or less	301.25	2,138.66
Not due for payment	8,018.56	11,862.30
	26,924.47	**58,646.77**

65 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: **(₹ in Lakhs)**

	As at 31-March-19	As at 31-March-18
Borrowings:		
Long term	82,279.32	1,11,046.05
Short term	38,356.61	36,735.09
Current maturities of long term borrowings	63,918.79	65,275.73
Total borrowings (A)	**1,84,554.72**	**2,13,056.87**
Equity		
Share capital	21,759.06	21,759.06
Other equity	1,34,937.60	2,22,373.47
Total Equity (B)	**1,56,696.66**	**2,44,132.53**
Debt to equity ratio (A/B)	1.18	0.87

66 Events after the reporting period

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

67 Approval of the financial statements

The financial statements were approved for issue by Board of Directors on 29 May, 2019.

For and On Behalf of the Board of Directors

Sd/-
Pradeep Kumar Jain
Chairman
(DIN 00333486)

Sd/-
Sanjeev Kumar Jain
Managing Director & CEO
(DIN 00333881)

Sd/-
M. C. Jain
Group Chief Financial Officer

Sd/-
V. Mohan
Company Secretary

Place : Delhi
Date : 29 May, 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of Parsvnath Developers Limited

Report on the audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Parsvnath Developers Limited (" the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint venture, which comprise the consolidated Balance Sheet as at 31 March 2019, and the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies ("the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries, associates and joint venture referred to on the Other Matters section below, the aforesaid consolidated 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 consolidated state of affairs of the Group, its associates and joint venture as at 31 March 2019, of consolidated loss, consolidated total comprehensive loss, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

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 Consolidated Ind AS Financial Statements section of our report. We are independent of the Group 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 consolidated Ind AS financial statements under the provisions of the Act and the Rules made 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-para (a) and (b) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

We draw attention to the following matters in the notes to the consolidated Ind AS financial statements:

Note 47, which indicates that the group has incurred cash loss during the current and previous years and there have been delays/defaults in payment of principal and interest on borrowings, statutory liabilities, salaries to employees and other dues by the group. The management of the Holding Company is of the opinion that no adverse impact is anticipated on future operations of the Group.

Note 11, which explains management position regarding utilization of Deferred Tax Assets and Minimum Alternate Tax Credit aggregating to ₹ 24,249.75 lakhs as at 31 March, 2019. Based on the management assumptions and future business plans, no provision has been considered in the books of account.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key audit matters	How the matter was addressed in our audit
Revenue recognition	
The Group has applied Ind AS 115 – 'Revenue from Contracts with Customers' as on the transition date of 1 April, 2018 The Group has applied modified retrospective approach to its real estate projects that were not completed as at 1 April, 2018, accordingly profit recognised on such projects upto 31 March, 2018, amounting to ₹ 85,936.42 lakhs has been de-recognised and debited to retained earnings as at 1 April, 2018 Revenue from sale of constructed properties is recognised at a 'Point of Time', when the Group satisfies the performance obligations, which generally coincides with completion/possession of the unit. Recognition of revenue at a point in time based on satisfaction of performance obligation requires estimates and judgements regarding timing of satisfaction of performance obligation, allocation of cost incurred to segment/units and the estimated cost for completion of some final pending works. Due to judgement and estimates involved, revenue recognition is considered as key audit matter.	Our audit procedures on revenue recognition included the following: • We have evaluated that the group's revenue recognition policy is in accordance with Ind AS 115 and other applicable accounting standards; • We verified the calculation of adjustment to retained earnings as at 1 April, 2018 on adoption of Ind AS 115 as per modified retrospective method; • We verified performance obligations satisfied by the Group; • We tested flat buyer agreements/sale deeds, occupancy certificates (OC), project completion, possession letters, sale proceeds received from customers to test transfer of controls; • We conducted site visits during the year to understand status of the project and its construction status; • We verified calculation of revenue to be recognised and matching of related cost; • We verified allocation of common cost to units sold and estimates of cost yet to be incurred before final possession of units.
Inventories	
The Group's inventories comprise of projects under construction/ development (Work-in-progress) and unsold flats (finished flats). The inventories are carried 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 Group and/or identified by the Group for properties in same geographical area. NRV of properties under construction is assessed with reference to market value of completed property as at the reporting date less estimated cost to complete. The carrying value of inventories is significant part of the total assets of the Group and involves significant estimates and judgements in assessment of NRV. Accordingly, it has been considered as key audit matter.	Our audit procedures to assess the net realisable value (NRV) of inventories included the following: • We had discussions with management to understand management's process and methodology to estimate NRV, including key assumptions used; • We verified project wise unsold units/area from sales department; • We tested sale price of the units with reference to recently transacted price of same or similar projects and available market information in same geographical area; • To calculate NRV of work-in-progress, we verified the estimated cost to construction to complete the project.

Key audit matters	**How the matter was addressed in our audit**
Deferred Tax Assets (DTA)	
The group has recognised deferred tax assets (DTA) on carried forward business losses and unabsorbed depreciation (refer to note 11 to the financial statements) The Group has recognised DTA considering sale agreements executed with the customers against which revenue will get recognised in future on point of time. Recognition of DTA is based on future business plan and sales projections of the Group, which have been approved by the audit committee and board of directors of the Holding Company and the subsidiary companies. Since recognition of DTA on carried forward losses involves significant judgements and estimates, it has been considered as key audit matter.	Our audit procedures included: • We have discussions with management to understand process over recording and review of deferred tax assets (DTA); • We obtained approved business plan, profitability projects of existing projects and verified mandates given for sale of some identified assets; • We had discussion at separate audit committee meeting of the holding company with independent directors; • We tested the computation of the amount and the tax rate used for recognition of DTA; • We also verified the disclosures made by the Group in Note 11 to the financial statements.
Customer complaints and litigation	
The Group is having various customers complaints, claims and litigations for delays in execution of its real estate projects. Management estimates the possible outflow of economic resources based on legal opinion and available information on the status of the legal cases. Determination of amount to be provided and disclosure of contingent liabilities involves significant estimates and judgements, therefor it has been considered as key audit matter.	Our audit procedures included: • We had discussion with management and understood management process for identification of claims and its quantification; • We had discussion with Head of Legal department of the Holding Company, to assess the financial impact of legal cases; • We read judgments of the courts and appeals filed by the respective companies; • We read minutes of the audit committee and the board of directors of the respective companies to get status of the material litigations; • We verified that, in cases, where management estimates possible flow of economic resources, adequate provision is made in books of account and in other cases, required disclosure is made of contingent liabilities.

Key audit matters	How the matter was addressed in our audit
Statutory dues and borrowings	
The Group has incurred cash losses during the current and previous year, due to recession in the real estate sector, due to which the Group is facing tight liquidity situation. As a result, there have been delays/defaults in statutory liabilities, principal and interest on borrowings and other dues. Defaults in payment of statutory dues and borrowings involves calculation of interest, penal interest and other penalties on delayed payments and recording of liabilities. It requires significant estimates, hence considered as key audit matter.	Our audit procedures included: • We had discussion with management and understood management process for provision of interest and penalties for delays/defaults in payment of statutory dues and repayment of borrowings and interest thereon; • For statutory dues, we have verified the schedule of statutory liabilities and due date of payments. We verified calculation of interest on delayed payments; • For borrowings, we verified loan agreement and sanction letters to check repayment schedule and penal interest, if any. We verified calculation of interest including penal interest; • We verified disclosures made in the financial statements in respect of defaults in repayment of borrowings and interest thereon; • Defaults in payment of statutory dues is reported in Annexure A to our audit report on standalone financial statements.
Advances for land	
The Group has given advances for procurement of land for construction of real estate projects. These advances are given based on agreements. The Group acquires land through SPVs and paid advances to SPVs for acquisition of land. These advances are tested for recoverability. Due to significant amount and the time involved in square up of these advances, it has been considered as key audit matter.	Our audit procedures included: • We had discussion with management and understood management process for land acquisition; • We have verified the agreements and Memorandum of Understanding (MOUs) with the SPVs; • We verified financial statements of these SPVs to test land held by these entities and its book value; • For advances given to third parties, we have verified the agreements and had discussion with the management on timeline for land procurement.

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

- The Holding Company's Board of Directors is responsible for the other information. The other information comprises of the Director's Report, Management Discussion and Analysis Report and Corporate Governance Report. These reports are expected to be made available to us after the date of this auditor's report.

- Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- These reports have not been made available to us till date of this audit report, we are unable to comment, whether any information in these reports are materially inconsistent with the consolidated financial statements of the Company.

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to preparation of these consolidated Ind AS financial statements in term of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and jointly venture and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for assessing the ability of the Group and of its associates and joint venture 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for overseeing the financial reporting process of the Group and of its associates and joint venture.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Group has adequate internal financial controls system 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 ability of the Group and its associates and joint venture 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 consolidated 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 Group and its associates and joint venture to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its associates and joint venture to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated Ind AS 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 of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements of 50 subsidiaries, whose financial statements reflect total assets (after eliminating intra-group transactions) of ₹ 33,510.23 lakhs as at 31 March 2019, total revenue (after eliminating intra-group transactions) of ₹ 310.21 lakhs, loss after tax of ₹ 72.88 lakhs, total comprehensive loss of ₹ 72.88 lakhs and net cash outflows amounting to ₹ 23.07 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 1.62 lakhs for the year ended 31 March 2019, as considered in the consolidated Ind AS financial statements, in respect of three associates and one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint venture and associates, is based solely on the reports of the other auditors.

One of these subsidiaries is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in that country and which have been audited by other auditors under generally accepted auditing standards applicable in that country. The Holding Company's Management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in that country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's Management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management of the Holding Company and audited by us.

Our opinion on the consolidated Ind AS financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act based on our audit and on the consideration of reports of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint venture, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), and the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated 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) The audit report on the financial statements of Parsvnath Rail Land Project Private Limited and Parsvnath Film City Limited, subsidiaries of the Holding Company, issued by us contains the following remark, which is reproduced by us as below:

There is material uncertainty related to outcome of legal disputes.

(f) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries and associates, incorporated in India, none of the directors of the Group companies and its associates incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) With respect to the adequacy of internal financial controls with reference to financial statements of the Group and its associates incorporated in India and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(h) 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 Holding Company has not paid any remuneration to its directors during the year.

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint venture, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint venture– Refer Note 36 to the consolidated Ind AS financial statements.

ii. The Group, its associates and jointly joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts – Refer Note 38 to the consolidated Ind AS financial statements.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiaries and associates incorporated in India - Refer Note- 39 to the consolidated financial statements.

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

Sd/-
Vinesh Jain
Partner
Membership No.: 87701

Place: Delhi
Date: 29 May, 2019

ANNEXURE A

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")

1. In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to financial statements of Parsvnath Developers Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies and its associate companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria. 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 the respective company's policies, the safeguarding of the company's 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

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and its associate companies as aforesaid, 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") issued by the Institute of Chartered Accountants of India (ICAI) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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.

5. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter(s) paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and its associate companies as aforesaid.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial 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

7. 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

8. In our opinion, the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, have, 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 2019, based on internal control over financial reporting criteria.

Other Matter

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to forty nine subsidiaries and three associates, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

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

Sd/-
Vinesh Jain
Membership No.: 87701

Place: Delhi
Date: 29 May, 2019

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2019

(₹ in lakhs)

	Notes	As at 31-March-19	As at 31-March-18
ASSETS			
1 Non-current assets			
a. Property, plant and equipment	5	351.36	544.43
b. Capital work-in-progress	5	6,402.59	6,374.86
c. Investment property	6	2,296.92	2,444.13
d. Goodwill on consolidation		6,878.85	6,878.85
e. Other intangible assets	7	46,851.46	44,951.02
f. Intangible assets under development	7	75,025.72	68,300.76
g. Financial assets			
i. Investments	8	30,308.01	1,461.55
ii. Other financial assets	10	1,40,213.01	1,40,658.22
h. Deferred tax assets (net)	11	24,249.75	13,424.26
i. Tax assets (net)	17	3,561.71	4,028.85
j. Other non-current assets	12	22,367.45	25,370.64
Total non-current assets		**3,58,506.83**	**3,14,437.57**
2 Current assets			
a. Inventories	13	5,29,630.02	3,68,868.83
b. Financial assets			
i. Trade receivables	14	29,126.49	63,533.59
ii. Cash and cash equivalents	15	3,445.71	843.85
iii. Bank balances other than (ii) above	16	5,623.58	5,624.63
iv. Loans	9	1,923.06	2,082.07
v. Other financial assets	10	18,543.20	18,638.56
c. Other current assets	12	21,985.73	65,001.96
Total current assets		**6,10,277.79**	**5,24,593.49**
Total assets		**9,68,784.62**	**8,39,031.06**
EQUITY AND LIABILITIES			
1 Equity			
a. Equity share capital	18	21,759.06	21,759.06
b. Other equity	19	72,486.20	1,94,736.85
Total Equity (For shareholders of parent)		**94,245.26**	**216,495.91**
Non-controlling interest		7,706.70	16,272.92
Total Equity		**1,01,951.96**	**2,32,768.83**
Liabilities			
2 Non-current liabilities			
a. Financial liabilities			
i. Borrowings	20	3,09,663.05	319,230.76
ii. Other financial liabilities	21	4,119.60	3,899.36
b. Provisions	22	440.19	513.75
c. Other non-current liabilities	23	4,526.50	4,111.08
Total non-current liabilities		**3,18,749.34**	**3,27,754.95**
3 Current liabilities			
a. Financial liabilities			
i. Borrowings	24	47,651.61	46,266.16
ii. Trade Payables	25		
- Total outstanding dues of micro and small enterprises		148.51	120.36
- Total outstanding dues of creditors other than micro and small enterprises		79,300.14	76,296.27
iii. Other financial liabilities	21	1,05,279.28	1,08,943.21
b. Provisions	22	30.17	55.73
c. Current tax liabilities (Net)	17	1.81	3.21
d. Other current liabilities	23	3,15,671.80	46,822.34
Total current liabilities		**5,48,083.32**	**2,78,507.28**
Total liabilities		**8,66,832.66**	**6,06,262.23**
Total equity and liabilities		**9,68,784.62**	**8,39,031.06**
See accompanying notes to the consolidated financial statements	1-68		

In terms of our report attached
For **S. N. Dhawan & Co LLP**
Chartered Accountants
(Registration No 000050N/N500045)

Sd/-
Vinesh Jain
Partner
(Membership No. 087701)

Place: Delhi
Date: 29 May, 2019

For and on behalf of the Board of Directors

Sd/-
Pradeep Kumar Jain
Chairman
(DIN 00333486)

Sd/-
Sanjeev Kumar Jain
Managing Director & CEO
(DIN 00333881)

Sd/-
M. C. Jain
Group Chief Financial Officer
Place: Delhi
Date: 29 May, 2019

Sd/-
V. Mohan
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in lakhs)

		Notes	Year ended 31-March-19	Year ended 31-March-18
I.	Revenue from operations	26	91,105.52	19,366.62
II.	Other income	27	1,438.88	1,641.50
III.	**Total income (I + II)**		**92,544.40**	**21,008.12**
IV.	**Expenses**			
	a. Cost of land / development rights		5,915.37	13,680.22
	b. Cost of materials consumed	28	1,044.49	2,168.02
	c. Purchase of Stock in Trade	29	(190.03)	(83.02)
	d. Contract cost, labour and other charges		6,398.48	6,318.43
	e. Changes in inventories of finished goods and work-in-progress	30	72,131.21	(12,077.59)
	f. Employee benefits expense	31	2,623.15	3,259.05
	g. Finance costs	32	33,531.60	32,414.35
	h. Depreciation and amortisation expense	33	2,890.12	3,023.64
	i. Other expenses	34	8,365.92	8,257.75
	Total expenses (IV)		**1,32,710.31**	**56,960.85**
V.	**Profit/(loss) before tax (III-IV)**		**(40,165.91)**	**(35,952.73)**
VI.	**Tax expense/(benefit):**	35		
	a. Current tax		5.82	1.13
	b. Tax adjustment for earlier years		1,563.74	16.20
	c. Deferred tax		(4,995.93)	(3,574.38)
			(3,426.37)	**(3,557.05)**
VII.	**Profit/(loss) for the year (V - VI)**		**(36,739.54)**	**(32,395.68)**
VIII.	**Share of profit/(loss) in Associates (Net)**		1.86	1.93
IX.	**Profit/(loss) for the year (VII+VIII)**		**(36,737.68)**	**(32,393.75)**
X.	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss			
	a. Remeasurements of the defined benefit plans		(36.29)	(49.15)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	35	(9.44)	(12.78)
	Total other comprehensive income (i-ii)		**(26.85)**	**(36.37)**
XI.	**Total comprehensive income for the year (IX + X)**		**(36,764.53)**	**(32,430.12)**
XII.	**Net profit / (loss) attributable to:**			
	a. Shareholders of the company		(36,359.92)	(31,742.88)
	b. Non-controlling interest		(404.61)	(687.24)
XIII.	**Earnings per equity share (face value ₹ 5 per share)**	58		
	a. Basic (in ₹)		(8.36)	(7.29)
	b. Diluted (in ₹)		(8.36)	(7.29)

See accompanying notes to the consolidated financial statements 1-68

In terms of our report attached
For **S. N. Dhawan & Co LLP**
Chartered Accountants
(Registration No 000050N/N500045)

Sd/-
Vinesh Jain
Partner
(Membership No. 087701)

Place: Delhi
Date: 29 May, 2019

For and on behalf of the Board of Directors

Sd/-
Pradeep Kumar Jain
Chairman
(DIN 00333486)

Sd/-
Sanjeev Kumar Jain
Managing Director & CEO
(DIN 00333881)

Sd/-
M. C. Jain
Group Chief Financial Officer

Sd/-
V. Mohan
Company Secretary

Place: Delhi
Date: 29 May, 2019

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in lakhs)

			Year ended 31-March-19	Year ended 31-March-18
A.	**Cash flow from operating activities**			
	Profit/(loss) before tax (including OCI)		(40,202.20)	(36,001.88)
	Adjustments for:			
	Depreciation and amortisation expense		2,890.12	3,023.64
	Profit on sale of property, plant and equipment (net)		(89.43)	(41.66)
	Finance costs		33,531.60	32,414.35
	Interest income		(1,156.93)	(1,410.05)
	Excess provision written back		(22.60)	(25.85)
	Operating profit/(loss) before working capital changes		**(5,049.44)**	**(2,041.45)**
	Movement in working capital:			
	Adjustments for (increase)/decrease in operating assets:			
	Inventories		74,434.55	(11,948.89)
	Trade receivables		(12,811.74)	(493.98)
	Loans - current		159.01	240.88
	Other financial assets - non current		352.82	1,772.35
	Other financial assets - current		55.32	42.44
	Other assets - non current		3,046.64	7,524.54
	Other assets - current		14,105.74	(4,755.32)
	Adjustments for increase/(decrease) in operating liabilities:			
	Trade payables		3,054.62	6,892.79
	Other financial liabilities - non current		220.24	1,446.56
	Other financial liabilities - current		(124.95)	1,647.32
	Other liabilities - non current		415.42	(38.36)
	Other liabilities - current		54,384.14	9,017.84
	Provisions - non current		(73.56)	97.58
	Provisions - current		(25.56)	0.23
	Cash generated from/(used in) operations		**1,32,143.25**	**9,404.53**
	Income taxes paid (net)		(1,103.82)	(941.78)
	Net cash flow from/(used in) operating activities	**(A)**	**1,31,039.43**	**8,462.75**
B.	**Cash flow from investing activities**			
	Purchase of tangible and intangible assets		(11,923.66)	(10,276.28)
	Proceeds from sale of tangible and intangible assets		655.78	78.34

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in lakhs)

			Year ended 31-March-19	Year ended 31-March-18
	(Increase)/decrease in bank balances not considered as cash and cash equivalents		46.31	(236.36)
	Purchase of non-current investments		(28,855.03)	-
	Purchase of Shares from Non Controlling Interest		(8,161.61)	-
	Redemption/sale of non-current investments - Associates		8.50	0.50
	Interest received		1,244.10	1,385.35
	Net cash flow from/(used in) investing activities	**(B)**	**(46,985.61)**	**(9,048.45)**
C.	**Cash flow from financing activities**			
	Interest paid		(62,982.45)	(48,850.93)
	Proceeds from / (repayment of) working capital borrowings		(1,088.12)	(771.93)
	Proceeds from other short-term borrowings		37,955.29	10,399.01
	Repayment of other short-term borrowings		(35,480.83)	(9,437.17)
	Proceeds from long-term borrowings		113,284.88	81,235.04
	Repayment of long-term borrowings		(1,33,140.73)	(32,546.70)
	Net cash flow from/(used in) financing activities	**(C)**	**(81,451.96)**	**27.32**
D.	Net increase/(decrease) in Cash and cash equivalents	**(A+B+C)**	2,601.86	(558.38)
E.	Cash and cash equivalents at the beginning of the year		843.85	1,402.23
F.	**Cash and cash equivalents at the end of the year**		**3,445.71**	**843.85**

See accompanying notes to the consolidated financial statements 1-68

In terms of our report attached
For **S. N. Dhawan & Co LLP**
Chartered Accountants
(Registration No 000050N/N500045)

Sd/-
Vinesh Jain
Partner
(Membership No. 087701)

Place: Delhi
Date: 29 May, 2019

For and on behalf of the Board of Directors

Sd/-
Pradeep Kumar Jain
Chairman
(DIN 00333486)

Sd/-
Sanjeev Kumar Jain
Managing Director & CEO
(DIN 00333881)

Sd/-
M. C. Jain
Group Chief Financial Officer
Place: Delhi
Date: 29 May, 2019

Sd/-
V. Mohan
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2019

a. Equity Share Capital

	(₹ in lakhs)
Balance as at 31 March, 2017	21,759.06
Changes in equity share capital during the year	-
Balance as at 31 March, 2018	21,759.06
Changes in equity share capital during the year	-
Balance as at 31 March, 2019	**21,759.06**

b. Other Equity

(₹ in lakhs)

	Reserves and Surplus							Other Comprehensive Income Remeasurment of defined benefit plan	Attributable to shareholders of parent	Non Controling Interest
	Capital Reserve	Captial Redemption Reserve	Securities premium reserve	Debenture redemption reserve	Foreign Currency Translation Reserve	General Reserve	Retained earnings			
Balance as at 31 March, 2017	**2,045.60**	**230.00**	**1,45,591.47**	**14,302.50**	**(13.91)**	**9,310.00**	**54,924.60**	**69.72**	**2,26,459.98**	**16,960.16**
Profit / (loss) for the year	-	-	-	-	-	-	(31,706.51)	-	**(31,706.51)**	(687.24)
Exchange differences arising on translating the foreign operations	-	-	-	-	19.75	-	-	-	**19.75**	-
Other comprehensive income for the year, net of income tax	-	-	-	-		-	-	(36.37)	**(36.37)**	-
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**19.75**	**-**	**(31,706.51)**	**(36.37)**	**(31,723.13)**	**(687.24)**
Transferred from retained earnings	-	-	-	225.00	-	-	-	-	**225.00**	-
Transfer to Debenture redemption reserve	-	-	-	-	-	-	(225.00)	-	**(225.00)**	
Balance as at 31 March, 2018	**2,045.60**	**230.00**	**1,45,591.47**	**14,527.50**	**5.84**	**9,310.00**	**22,993.09**	**33.35**	**1,94,736.85**	**16,272.92**
Profit / (loss) for the year	-	-	-	-	-	-	(36,333.07)	-	**(36,333.07)**	(404.61)
Exchange differences arising on translating the foreign operations	-	-	-	-	45.69	-	-	-	**45.69**	-
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	(26.85)	**(26.85)**	
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**45.69**	**-**	**(36,333.07)**	**(26.85)**	**(36,314.23)**	**(404.61)**
Add/(Less): Impact of Ind AS 115 (see note 45)	-	-	-	-	-	-	(85,936.42)	-	**(85,936.42)**	(366.94)
Non-controlling adjustment due to acquisition of stake in Subsidiary	-	-	-	-	-	-	-	-	**-**	(7,794.67)
Transferred to retained earnings	-	-	-	(6,785.30)	-	-	-	-	**(6,785.30)**	-
Transfer from Debenture redemption reserve	-	-	-	-	-	-	6,785.30	-	**6,785.30**	-
Balance as at 31 March, 2019	**2,045.60**	**230.00**	**1,45,591.47**	**7,742.20**	**51.53**	**9,310.00**	**(92,491.10)**	**6.50**	**72,486.20**	**7,706.70**

See accompanying notes to the consolidated financial statements **1-68**

In terms of our report attached
For **S. N. Dhawan & Co LLP**
Chartered Accountants
(Registration No 000050N/N500045)

Sd/-
Vinesh Jain
Partner
(Membership No. 087701)

Place: Delhi
Date: 29 May, 2019

For and on behalf of the Board of Directors

Sd/-
Pradeep Kumar Jain
Chairman
(DIN 00333486)

Sd/-
Sanjeev Kumar Jain
Managing Director & CEO
(DIN 00333881)

Sd/-
M. C. Jain
Group Chief Financial Officer
Place: Delhi
Date: 29 May, 2019

Sd/-
V. Mohan
Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

1. CORPORATE INFORMATION

Parsvnath Developers Limited ("the Company" or "the Holding Company") was set up as a Company registered under the Companies Act, 1956. It was incorporated on 24 July, 1990. The Company and its subsidiaries (herein after collectively referred to as 'the group') is primarily engaged in the business of promotion, construction and development of integrated townships, residential and commercial complexes, multi-storeyed buildings, flats, houses, apartments, shopping malls, IT parks, hotels, SEZ, etc.

The Company is a public limited company incorporated and domiciled in India. The address of its corporate office is Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi-110032. The Company is listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

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

Group information

The consolidated financial statements include following subsidiaries, joint ventures and associates:

Name of the Company		Percentage of ownership/voting rights	
		31-March-19	31-March-18
Subsidiaries			
1	Parsvnath Landmark Developers Private Limited	100.00%	100.00%
2	Parsvnath Infra Limited	94.87%	94.87%
3	Parsvnath Film City Limited	100.00%	100.00%
4	Parsvnath Telecom Private Limited	100.00%	100.00%
5	Parsvnath Hotels Limited	100.00%	100.00%
6	PDL Assets Limited	100.00%	100.00%
7	Parsvnath Estate Developers Private Limited	100.00%	100.00%
8	Parsvnath Promoters and Developers Private Limited	51.00%	51.00%
9	Parsvnath Developers Pte. Limited	53.32%	53.32%
10	Parsvnath Heesa Developers Private Limited	100.00%	100.00%
11	Primetime Realtors Private Limited	100.00%	100.00%
12	Parsvnath Buildwell Private Limited	99.83/99.10%	90.05/50.10%
13	Parsvnath HB Projects Private Limited	51.00%	51.00%
14	Parsvnath MIDC Pharma SEZ Private Limited	94.87%	94.87%
15	Parsvnath Realcon Private Limited	50.10%	50.10%
16	Parsvnath Reality Ventures Limited	100.00%	100.00%
17	Vasavi PDL Ventures Private Limited	51.00%	51.00%
18	Farhad Realtors Private Limited	100.00%	100.00%
19	Parsvnath Rail Land Project Private Limited	28.30/85.10%	28.30/85.10%
20	Suksma Buildtech Private Limited	100%	-
21	Jarul Promoters and Developers Private Limited	100%	-

Name of the Company		Percentage of ownership/voting rights	
		31-March-19	31-March-18
Subsidiaries by virtue of Accounting Standard (Ind AS – 110) on 'Consolidated financial statements'			
22	Aahna Realtors Private Limited	-	-
23	Afra Infrastructure Private Limited	-	-
24	Anubhav Buildwell Private Limited	-	-
25	Arctic Buildwell Private Limited	-	-
26	Arunachal Infrastructure Private Limited	-	-
27	Bae Buildwell Private Limited	-	-
28	Bakul Infrastructure Private Limited	-	-
29	Banita Buildcon Private Limited	-	-
30	Bliss Infrastructure Private Limited	-	-
31	Brinly Properties Private Limited	-	-
32	Coral Buildwell Private Limited	-	-
33	Dae Realtors Private Limited	-	-
34	Dai Real Estates Private Limited	-	-
35	Dhiren Real Estates Private Limited	-	-
36	Digant Realtors Private Limited (Upto 31.03.18)	-	-
37	Elixir Infrastructure Private Limited	-	-
38	Emerald Buildwell Private Limited	-	-
39	Evergreen Realtors Private Limited	-	-
40	Gem Buildwell Private Limited	-	-
41	Generous Buildwell Private Limited	-	-
42	Himsagar Infrastructure Private Limited	-	-
43	Izna Realcon Private Limited	-	-
44	Jaguar Buildwell Private Limited	-	-
45	Label Real Estates Private Limited	-	-
46	Lakshya Realtors Private Limited	-	-
47	LSD Realcon Private Limited	-	-
48	Mirage Buildwell Private Limited	-	-
49	Navneet Realtors Private Limited	-	-
50	Neelgagan Realtors Private Limited	-	-
51	New Hind Enterprises Private Limited	-	-
52	Oni Projects Private Limited	-	-
53	Paavan Buildcon Private Limited	-	-
54	Perpetual Infrastructure Private Limited	-	-
55	Prosperity Infrastructures Private Limited	-	-
56	Rangoli Infrastructure Private Limited	-	-
57	Samiksha Realtors Private Limited	-	-
58	Sapphire Buildtech Private Limited	-	-
59	Silverstreet Infrastructure Private Limited	-	-
60	Spearhead Realtors Private Limited	-	-
61	Springdale Realtors Private Limited	-	-
62	Stupendous Buildtech Private Limited	-	-
63	Sumeru Developers Private Limited	-	-
64	Trishla Realtors Private Limited	-	-
65	Vital Buildwell Private Limited	-	-

Name of the Company		Percentage of ownership/voting rights	
		31-March-19	31-March-18
66	Yamuna Buildwell Private Limited	-	-
Joint Ventures			
1	Ratan Parsvnath Developers (AOP)	50.00%	50.00%
Associates			
1	Amazon India Limited	48.30%	48.30%
2	Home Life Real Estate Private Limited	50.00%	50.00%
3	Vardaan Buildtech Private Limited	33.33%	33.33%

2.2 Basis of measurement and presentation

The consolidated 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

2.3 Basis of consolidation

The consolidated financial statements relates to Parsvnath Developers Limited ('the Company') and its subsidiaries. Subsidiaries are entities that are controlled by the Company. Control is achieved when the Company:

- Has power over the investee;
- Is expected, or has right, to variable returns from its involvement with the investee;
- Has the ability to use its power to affect the returns

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.

Generally, majority of voting rights results in control. When the Company has less than majority of voting rights of an investee, the Company considers all relevant facts and circumstances assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee, including:

- The size of the Company's holdings of voting rights relative to the size and dispersion of holdings of other vote holders;
- Potential voting rights held by the Company;
- Rights arising from other contractual arrangements;
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Consolidation procedure:

- The financial statements of the Company and its subsidiary companies have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating all significant intra-group balances, intra-group transactions and unrealised profits on intra-group transactions.
- The excess of cost to the Group of its investments in the subsidiaries over its share of equity of the subsidiaries, at the dates on which the investments in the subsidiaries were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus', in the consolidated financial statements. The 'Goodwill' / 'Capital Reserve' is determined separately for each subsidiary and such amounts are not set off between different entities.
- Non-controlling interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the non-controlling shareholders at the date on which investments in the subsidiaries were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year of the subsidiaries attributable to non-controlling interest is identified and adjusted against the profit / loss after tax of the Group in order to arrive at the income attributable to shareholders of the Company.

The principal accounting policies are set out below.

2.4 Revenue recognition

Revenue is recognised to the extent that it is probable that the Group will collect the consideration to which it will be entitled in exchange of goods or services that will be transferred to the customers taking into account contractually defined terms of payments. Revenue excludes taxes and duties collected on behalf of the Government and is net of customer returns, rebates, discounts and other similar allowances.

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

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

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

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

v. Income from construction contracts is recognised by reference to the stage of completion of the contract activity at the reporting date of the financial statements. The related costs there against are charged to the Statement of Profit and Loss. The stage of completion of the contract is measured by reference to the proportion that contract cost incurred for work performed up to the reporting date bears to the estimated total contract cost for each contract. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

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

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

viii Income from rent is recognised on accrual basis in accordance with the terms of agreement with the lessee.

ix. Income from maintenance charges is recognised on accrual basis.

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

2.5 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

Payments for 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 the lessor's expected inflationary cost increases, lease expense is recognised as per the contractual terms. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

2.6 Borrowing costs

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

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

2.7 Employee benefits

a. **Defined contribution plan**

The group's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

b. **Defined benefit plan**

For defined benefit plan in the form of gratuity, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is not reclassified to profit or loss in subsequent periods. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost comprising current service costs, past service costs, gains and losses on curtailments and settlements;
- net interest expense or income; and
- remeasurement

c. **Short-term and other long-term employee benefits**

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

Accumulated leaves expected to be carried forward beyond twelve months, are treated as long-term employee benefits. Liability for such long term benefit is provided based on the actuarial valuation using the projected unit credit method at year-end.

2.8 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.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) is payable when the taxable profit is lower than the book profit. Taxes paid under MAT are available as a set off against regular income tax payable in subsequent years. MAT paid in a year is charged to the Statement of Profit and Loss as current tax. The group recognises MAT credit available as an asset only to the extent that there is convincing evidence that the respective Company will pay normal income tax during the specified period i.e the period for which MAT credit is allowed to be carried forward. MAT credit is recognised as an asset and is shown as 'MAT Credit Entitlement'. The group reviews the 'MAT Credit Entitlement' asset at each reporting date and write down the asset to the extent the respective Group does not have convincing evidence that it will pay normal tax during the specified period.

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.

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 Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Distributions received from an associate or a joint venture reduce the carrying amount of the investment. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. .

2.11 Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

1. its assets, including its share of any assets held jointly;
2. its liabilities, including its share of any liabilities incurred jointly;
3. its revenue from the sale of its share of the output arising from the joint operation;
4. its share of the revenue from the sale of the output by the joint operation; and
5. its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues, and expenses relating to its interest in a joint operation in accordance with the Ind AS applicable to the particular assets, liabilities, revenues, and expenses.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

2.12 Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost includes purchase/construction cost, directly attributable cost and borrowing costs, if the recognition criteria are met. The fair value of investment property is disclosed in the notes.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal.

Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

2.13 Depreciation on property, plant and equipment and investment property

Depreciation on property, plant and equipment and investment property is provided on straight line basis as per the useful life prescribed in Schedule II to the Companies Act, 2013, except in respect of Shuttering and Scaffolding, in which case the life of the asset has been assessed on technical advice, taking into account the nature of asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technology changes and maintenance support etc. Accordingly the useful life of the assets taken is as under:

Asset	Useful life
Buildings	60 years
Plant and equipment	8 years
Shuttering and scaffolding	6 years
Furniture and fixture	8 years
Vehicles	8 years
Office equipment	5 years
Computer	3 years
Investment properties (Buildings)	60 years

Free hold land is not depreciated.

2.14 Intangible assets

Intangible assets comprises buildings constructed on 'Build-operate-Transfer' (BOT) basis. The group has unconditional right to use/lease such assets during the specified period. After expiry of specified period, these assets will get transferred to the Licensor without any consideration. Since, the group 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.

2.15 Impairment of tangible and intangible assets

At the end of each reporting period, the group 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 group 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.

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.

2.16 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 realisable 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 realisable 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.

2.17 Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group 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.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.18 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 group 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 group does not recognise a contingent liability, but discloses its existence in the financial statements.

2.19 Cash and cash equivalents

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

2.20 Cost of revenue

Cost of constructed properties includes cost of land/ development rights, construction and development costs, borrowing costs and direct overheads, which is charged to the statement of profit and loss based on the corresponding revenue recognized from sale of unit on proportionate basis.

2.21 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.

2.22 Foreign currency translations

The consolidated financial statements are presented in Indian Rupee, the functional currency of the group.

Transactions in foreign currencies entered into by the group are recorded at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Foreign currency monetary items of the group, outstanding at the reporting date are restated at the exchange rates prevailing at the reporting date. Non-monetary items denominated in foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the group are recognised as income or expense in the Statement of Profit and Loss.

The financial statements of foreign subsidiaries with functional currency other than presentation currency of the group have been translated in presentation currency. Assets and liabilities of such subsidiaries have been translated to the presentation currency using exchange rate prevailing on the balance sheet date and statement of profit and loss has been translated using weighted average exchange rates during the year. Translation adjustments have been reported as foreign currency translation reserve.

2.23 Current/non-current classification

The group 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.

2.24 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 group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the group has determined its operating cycle as 48 months for real estate projects and 12 months for others for the purpose of classification of its assets and liabilities as current and non-current.

2.25 Financial instruments

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

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

2.26 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.

Investments in equity instruments at FVTOCI

On initial recognition, the group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the group 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 or a financial guarantee.

Dividends on these investments in equity instruments are recognised in profit or loss when the group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading

Financial assets at FVTPL are measured at fair value at the end of each reporting period, 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 dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The group 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 group in accordance with the contract and all the cash flows that the group 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 group 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 group 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 group 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 group's measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the group 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 group 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 group 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 group 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 group 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 group 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 group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group 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 group retains an option to repurchase part of a transferred asset), the group 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.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.27 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the group 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 a group company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the group's companies 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 respective Company's own equity instruments.

Compound financial instruments

The component parts of compound financial instruments (convertible notes) issued by a group company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the respective Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

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 group, and commitments issued by the group 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 group 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 group 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 group 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 group'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 group Company that are designated by the group Company as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost

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

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

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the group Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Commitments to provide a loan at a below-market interest rate

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of financial liabilities

The group derecognises financial liabilities when, and only when, the group's obligations are discharged, cancelled or have expired. An exchange between lenders 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.

3. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements in conformity 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.

3.1 Revenue recognition

Recognition of revenue at a point in time based on satisfaction of performance obligation requires estimates and judgements regarding timing of satisfaction of performance obligation, allocation of cost incurred to segment/units and the estimated cost for completion of some final pending works.

3.2 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. The effect of changes is recognised in the financial statements during the period in which such changes are determined.

3.3 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 audit committee and the board of directors of the Company.

3.4 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. Classification of property as investment property or inventory

b. Measurement of defined benefit obligations

c. Useful life of property, plant and equipment

d. Measurement of contingent liabilities and expected cash outflows

e. Provision for diminution in value of long-term investments

f. Provision for expected credit losses

g. Impairment provision for intangible assets

4. Recent accounting pronouncements

a. Accounting Standard issued but not yet effective:

Ind AS 116 – Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116 Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor.

Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit and Loss. The Standard also contains enhanced disclosure requirements for lessees. There is no significant change in accounting requirement for lessor. This accounting standard is applicable for accounting period commencing on or after 1 April 2019, the Company is evaluating the impact of this new accounting standard on the financial statements.

b. Amendments to existing accounting standards:

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

i. Ind AS 12 Appendix C - Uncertainty over Income Tax Treatments

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The Company is currently evaluating the effect of this amendment on the financial statements.

ii. Amendment to Ind AS 12 – Income taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

These amendments will be effective for accounting period beginning on or after April 1, 2019. These amendments are not expected to have any significant impact on the Company's financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

5 Property, plant and equipment

(₹ in lakhs)

	As at 31-March-19	As at 31-March-18
Carrying amounts of :		
Land and building		
i. Own use	12.22	71.25
ii. Given under operating lease	39.13	43.12
Plant and equipment	16.15	23.95
Furniture and fixture	1.51	3.18
Vehicles	271.07	389.11
Office equipment	9.95	10.54
Computers	1.33	3.28
Sub-total	**351.36**	**544.43**
Capital work-in-progress	6,402.59	6,374.86
Total	**6,753.95**	**6,919.29**

(₹ in lakhs)

	Land and building		Plant and equipment	Shuttering and scaffolding	Furniture and fixture	Vehicles	Office equipment	Computers	Total
	Own use	Given under operating lease							
Deemed cost									
Balance as at 31 March, 2017	75.94	55.09	147.92	0.97	83.40	735.53	42.66	9.18	**1,150.69**
Additions	-	-	7.15	-	-	37.44	1.40	2.54	**48.53**
Disposals	-	-	-	-	-	29.26	-	-	**29.26**
Balance as at 31 March, 2018	**75.94**	**55.09**	**155.07**	**0.97**	**83.40**	**743.71**	**44.06**	**11.72**	**1,169.96**
Additions	-	-	-	-	-	-	4.63	0.10	**4.73**
Disposals	62.47	-	-	-	-	16.72	-	-	**79.19**
Balance as at 31 March, 2019	**13.47**	**55.09**	**155.07**	**0.97**	**83.40**	**726.99**	**48.69**	**11.82**	**1,095.50**
Accumulated depreciation									
Balance as at 31 March, 2017	3.13	7.97	117.03	0.97	78.31	261.49	28.99	5.11	**503.00**
Depreciation expense	1.56	4.00	14.09	-	1.91	107.37	4.53	3.33	**136.79**
Elimination on disposals of assets	-	-	-	-	-	14.26	-	-	**14.26**
Balance as at 31 March, 2018	**4.69**	**11.97**	**131.12**	**0.97**	**80.22**	**354.60**	**33.52**	**8.44**	**625.53**
Depreciation expense	1.00	3.99	7.80	-	1.67	101.32	5.22	2.05	**123.05**
Elimination on disposals of assets	4.44	-	-	-	-	-	-	-	**4.44**
Balance as at 31 March, 2019	**1.25**	**15.96**	**138.92**	**0.97**	**81.89**	**455.92**	**38.74**	**10.49**	**744.14**
Carrying amount									
Balance as at 31 March, 2017	72.81	47.12	30.89	-	5.09	474.04	13.67	4.07	**647.69**
Additions	-	-	7.15	-	-	37.44	1.40	2.54	**48.53**
Disposals	-	-	-	-	-	15.00	-	-	**15.00**
Depreciation expense	1.56	4.00	14.09	-	1.91	107.37	4.53	3.33	**136.79**
Balance as at 31 March, 2018	**71.25**	**43.12**	**23.95**	**-**	**3.18**	**389.11**	**10.54**	**3.28**	**544.43**
Additions	-	-	-	-	-	-	4.63	0.10	**4.73**
Disposals	58.03	-	-	-	-	16.72	-	-	**74.75**
Depreciation expense	1.00	3.99	7.80	-	1.67	101.32	5.22	2.05	**123.05**
Balance as at 31 March, 2019	**12.22**	**39.13**	**16.15**	**-**	**1.51**	**271.07**	**9.95**	**1.33**	**351.36**

Note:

i. For details of assets charges as security, refer note 20 and 24

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

6 Investment property

(₹ in lakhs)

	As at 31-March-19	As at 31-March-18
Freehold land	32.81	524.41
Buildings	2,264.11	1,919.72
Completed investment properties	**2,296.92**	**2,444.13**

(₹ in lakhs)

	Freehold land		Buildings		Total	
	Year ended 31-March-19	Year ended 31-March-18	Year ended 31-March-19	Year ended 31-March-18	Year ended 31-March-19	Year ended 31-March-18
Cost or deemed Cost						
Balance at the beginning of the year	524.41	524.41	2,011.10	1,688.32	2,535.51	2,212.73
Additions	-	-	374.82	345.34	374.82	345.34
Disposals	491.60	-	-	22.56	491.60	22.56
Balance at the end of the year	**32.81**	**524.41**	**2,385.92**	**2,011.10**	**2,418.73**	**2,535.51**
Accumulated depreciation						
Balance at the beginning of the year	-	-	91.38	61.80	91.38	61.80
Disposals	-	-	-	0.88	-	0.88
Depreciation expense	-	-	30.43	30.46	30.43	30.46
Balance at the end of the year	**-**	**-**	**121.81**	**91.38**	**121.81**	**91.38**
Carrying amount						
Balance at the beginning of the year	524.41	524.41	1,919.72	1,626.52	2,444.13	2,150.93
Additions	-	-	374.82	345.34	374.82	345.34
Disposals	491.60	-	-	21.68	491.60	21.68
Depreciation expense	-	-	30.43	30.46	30.43	30.46
Balance at the end of the year	**32.81**	**524.41**	**2,264.11**	**1,919.72**	**2,296.92**	**2,444.13**

Fair Value of the group's investment properties

The investment properties consist of 76 No's (Previous year 76 No's) commercial properties in India and one property overseas.

These valuations are based on valuations performed by Chartered Engineers, specialist in valuing these types of investment properties.

The group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Details of the investment properties and information about the fair value hierarchy as at 31 March, 2019 and 31 March, 2018 are as follows :

(₹ in lakhs)

	Level 2	Level 3	As at 31-March-19
Freehold land		32.81	32.81
Commercial Properties located in India	-	3,070.46	3,070.46
Commercial Properties located overseas	-	720.16	720.16
Total	**-**	**3,823.43**	**3,823.43**

	Level 2	Level 3	As at 31-March-18
Freehold land		524.41	524.41
Commercial Properties located in India	-	2,579.02	2,579.02
Commercial Properties located overseas		345.34	345.34
Total	**-**	**3,448.77**	**3,448.77**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

7 Other intangible assets

(₹ in lakhs)

	As at 31-March-19	As at 31-March-18
Carrying amounts of :		
Assets on Build-operate-transfer (BOT) basis	46,851.46	44,951.02
Total	**46,851.46**	**44,951.02**
Intangible assets under development	75,025.72	68,300.76
Total	**75,025.72**	**68,300.76**

(₹ in lakhs)

	Assets on BOT basis		
	Own use	Given under operating lease	Total
Deemed cost			
Balance as at 31 March, 2017	-	52,901.71	**52,901.71**
Additions from internal developments	-	11.59	**11.59**
Disposals	-	-	**-**
Balance as at 31 March, 2018	-	**52,913.30**	**52,913.30**
Additions from internal developments	-	4,637.08	**4,637.08**
Disposals	-	-	**-**
Balance as at 31 March, 2019	-	**57,550.38**	**57,550.38**
Accumulated amortisation			
Balance as at 31 March, 2017	-	5,105.89	**5,105.89**
Amortisation expense	-	2,856.39	**2,856.39**
Disposal	-	-	**-**
Balance as at 31 March, 2018	-	**7,962.28**	**7,962.28**
Amortisation expense	-	2,736.64	**2,736.64**
Disposal	-	-	**-**
Balance as at 31 March, 2019	-	**10,698.92**	**10,698.92**
Carrying amount			
Balance as at 31 March, 2017	-	47,795.82	**47,795.82**
Additions from internal developments	-	11.59	**11.59**
Disposals	-	-	**-**
Amortisation expense	-	2,856.39	**2,856.39**
Balance as at 31 March, 2018	-	**44,951.02**	**44,951.02**
Additions from internal developments	-	4,637.08	**4,637.08**
Disposals	-	-	**-**
Amortisation expense	-	2,736.64	**2,736.64**
Balance as at 31 March, 2019	-	**46,851.46**	**46,851.46**

Notes:

i. Significant intangible assets

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

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

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'

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

8 Investments - Non current

(Unquoted)

(₹ in lakhs)

		As at 31-March-19	As at 31-March-18
A.	Investments carried at cost		
	i. Associates	404.73	413.30
B.	Investment at fair value through profit and loss		
	Other entities		
	i. Equity instruments	1,048.25	1,048.25
C.	Investment carried at amortised cost		
	i Debentures/bonds	28,855.03	-
		30,308.01	**1,461.55**

Details of investments:

	As at 31-March-19		As at 31-March-18	
	Qty.	₹ in lakhs	Qty.	₹ in lakhs
I Investments at cost				
A. Investments carried at cost - Associates				
(I) Equity instruments				
1 Amazon India Limited				
Equity Shares of ₹ 10 each fully paid-up	25,000	2.50	25,000	2.50
Add: Goodwill on consolidation		210.00		210.00
Add: Share in opening accumulated profits		40.78		40.86
Add: Share in profits/(losses) of current year		(0.26)		(0.08)
Ad : Other adjustments		(1.93)		-
		251.09		**253.28**
2 Home Life Real Estate Private Limited				
Equity Shares of ₹ 10 each fully paid-up	7,75,000	77.50	7,75,000	77.50
Add: share in opening accumulated profits		30.88		28.63
Add: Share in profits/(losses) of current year		2.09		2.25
		110.47		**108.38**
3 Vardaan Buildtech Private Limited				
Equity Shares of ₹ 10 each fully paid-up	32,000	3.20	32,000	3.20
Add: share in opening accumulated profits		2.94		3.18
Add: Share in profits/(losses) of current year		0.03		(0.24)
		6.17		**6.14**
4 Adela Buildcon Private Limited	5,000	0.50	5,000	0.50
Equity Shares of ₹ 10 each fully paid-up				
5 Ashirwad Realtors Private Limited	5,000	0.50	5,000	0.50
Equity Shares of ₹ 10 each fully paid-up				
6 Baasima Buildcon Private Limited	10,000	1.00	10,000	1.00
Equity Shares of ₹ 10 each fully paid-up				
7 Baidehi Infrastructure Private Limited.	5,000	0.50	5,000	0.50
Equity Shares of ₹ 10 each fully paid-up				
8 Balbina Real Estates Private Limited	5,000	0.50	5,000	0.50
Equity Shares of ₹ 10 each fully paid-up				
9 Charushila Buildwell Private Limited	5,000	0.50	5,000	0.50
Equity Shares of ₹ 10 each fully paid-up				
10 Congenial Real Estates Private Limited	5,000	0.50	5,000	0.50

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

		As at 31-March-19		As at 31-March-18	
		Qty.	₹ in lakhs	Qty.	₹ in lakhs
	Equity Shares of ₹ 10 each fully paid-up				
11	Cyanea Real Estates Private Limited	5,000	0.50	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
12	Deborah Real Estates Private Limited	5,000	0.50	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
13	Deleena Developers Private Limited	5,000	0.50	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
14	Enormity Buildcon Private Limited	5,000	0.50	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
15	Gauranga Realtors Private Limited	5,000	0.50	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
16	Gauresh Buildwell Private Limited	5,000	0.50	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
17	Jarul Promoters & Developers Private Limited	-	-	50,000	5.00
	Equity Shares of ₹ 10 each fully paid-up				
18	Jodhpur Infrastructure Private Limited	5,000	0.50	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
19	K.B. Raltors Private Limited	-	-	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
20	Laban Real Estates Private Limited	-	-	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
21	Landmark Malls & Tower Private Limited	-	-	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
22	Landmark Tawnship Planers Private Limited	-	-	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
23	Mahanidhi Buildcon Private Limited	5,000	0.50	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
24	Madhukanta Real Estates Private Limited	5,000	0.50	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
25	Magic Promoters Private Limited	5,000	0.50	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
26	Nilanchal Realtors Private Limited	-	-	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
27	Parsvnath Biotech Private Limited	25,000	2.50	25,000	2.50
	Equity Shares of ₹ 10 each fully paid-up				
28	Parsvnath Cyber City Private Limited	10,000	1.00	10,000	1.00
	Equity Shares of ₹ 10 each fully paid-up				
29	Parsvnath Dehradun Info Park Prviate Limited	25,000	2.50	25,000	2.50
	Equity Shares of ₹ 10 each fully paid-up				
30	Parsvnath Developers (GMBT) Private Limited	25,000	2.50	25,000	2.50
	Equity Shares of ₹ 10 each fully paid-up				
31	Parsvnath Developers (SBBT) Private Limited	20,000	2.00	20,000	2.00
	Equity Shares of ₹ 10 each fully paid-up				
32	Parsvnath Gurgaon Info Park Prviate Limited	25,000	2.50	25,000	2.50
	Equity Shares of ₹ 10 each fully paid-up				
33	Parsvnath Knowledge Park Prviate Limited	10,000	1.00	10,000	1.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

		As at 31-March-19		As at 31-March-18	
		Qty.	₹ in lakhs	Qty.	₹ in lakhs
	Equity Shares of ₹ 10 each fully paid-up				
34	Parsvnath Indore Info Park Prviate Limited	25,000	2.50	25,000	2.50
	Equity Shares of ₹ 10 each fully paid-up				
35	Parsvnath Retail Limited	40,000	4.00	40,000	4.00
	Equity Shares of ₹ 10 each fully paid-up				
36	Pearl Propmart Private Limited	5,000	0.50	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
37	P.S. Realtors Private Limited	-	-	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
38	Rangoli Buildon Private Limited	5,000	0.50	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
39	Sadgati Buildcon Private Limited	5,000	0.50	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
40	Scorpio Realtors Private Limited	5,000	0.50	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
41	Snigdha Buildwell Private Limited	5,000	0.50	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
42	Suksma buildtech Private Limited	-	-	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
43	Timebound Contracts Private Limited	50,000	5.00	50,000	5.00
	Equity Shares of ₹ 10 each fully paid-up				
	Total -A		**404.73**		**413.30**
B.	**Investments at fair value through profit and loss -**				
	Other entities				
	(I) Equity instruments				
a.	Delhi Stock Exchange Limited	14,96,500	1,047.55	14,96,500	1,047.55
	Equity Shares of ₹ 1 each fully paid-up				
b.	Nakshatra Residency Private Limited	5,000	0.50	5,000	0.50
	Equity Shares of ₹ 10 each fully paid-up				
c.	Aadi Best Consortium Private Limited	1,000	0.10	1,000	0.10
	Equity Shares of ₹ 10 each fully paid-up				
d.	Riya Garments Private Limited	1,000	0.10	1,000	0.10
	Equity Shares of ₹ 10 each fully paid-up				
	Total -B		**1,048.25**		**1,048.25**
C.	**Investments carried at amortised cost**				
	(I) Debenture/bonds				
a.	Fortune Assets Private Limited				
	37,500 (previous year NIL) 0.01 % Optionally convertible Debentures of ₹ 1,00,000/- each fully paid-up	37,500	28,855.03	-	-
	Total -C		**28,855.03**		**-**
	TOTAL INVESTMENTS CARRYING VALUE (A+B+C)		**30,308.01**		**1,461.55**
	Aggregate book value of quoted investments		**-**		**-**
	Aggregate market value of quoted investments		**-**		**-**
	Aggregate carrying value of unquoted investments		**30,308.01**		**1,461.55**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

9. Loans

(₹ in lakhs)

		As at 31-March-19	As at 31-March-18
Current			
(unsecured, considered good)			
a.	Loans and advances to employees	18.04	4.59
b.	Loans to Others	1,905.02	2,077.48
		1,923.06	**2,082.07**

10. Other financial assets

(₹ in lakh

				As at 31-March-19	As at 31-March-18
I	**Non-Current**				
	a.	Security deposits		1,777.94	2,130.76
	b.	Deposit with Banks held under lien		4,136.41	4,181.67
	c.	Interest accrued on deposits with banks		0.64	47.77
	d.	Claim for refund on deemed cancellation of a project (Refer note 46)		1,29,472.18	1,29,472.18
	e.	Others (refer note 44)		4,825.84	4,825.84
				1,40,213.01	**1,40,658.22**
II	**Current**				
	a.	Security deposits		1,097.07	1,093.74
	b.	Interest receivables :-		-	
		i.	Interest accrued on deposits with banks	141.36	181.40
	c.	Receivables on sale of fixed assets / investments		1,595.20	1,730.61
	d.	Advances to others		756.74	759.39
	e.	Other receivables (refer note 43)		14,952.83	14,873.42
				18,543.20	**18,638.56**

11. Deferred tax assets (net)

(₹ in lakhs)

	As at 31-March-19	As at 31-March-18
Deferred tax assets	24,884.44	13,722.52
Deferred tax liabilities	3,271.30	2,934.80
Net deferred tax assets (a)	**21,613.14**	**10,787.72**
Mat credit entitlement (b)	2,636.61	2,636.54
Total Deferred Tax Assets (a+b)	**24,249.75**	**13,424.26**

(₹ in lakhs)

Year ended 31 March, 2019	Opening Balance	Recognised in Profit or loss	Recognised in reatained earning (see note 67)	Recognised in other comprehensive Income	Closing balance
Deferred tax assets/(liabilities) in relation to:					
Property, plant and equipment	(2,934.80)	(336.50)	-	-	(3,271.30)
Defined benefit obligation	229.54	(45.78)	-	9.44	193.20
Disallowances under Income Tax Act	2,669.94	2,321.16	-	-	4,991.10
	(35.32)	1,938.88	-	9.44	1,913.00
Unabsorbed depreciation and tax losses	10,823.04	3,057.03	-	-	13,880.07
Ind AS 115 adjustment (see note 45)	-	-	5,820.05	-	5,820.07
	10,787.72	**4,995.93**	**5,820.05**	**9.44**	**21,613.14**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

(₹ in lakhs)

Year ended 31 March, 2018	Opening Balance	Recognised in Profit or loss	Recognised in reatained earning	Recognised in other comprehensive Income	Closing balance
Deferred tax assets/(liabilities) in relation to:					
Property, plant and equipment	(3,043.86)	109.06	-	-	(2,934.80)
Defined benefit obligation	213.16	3.60	-	12.78	229.54
Disallowances under Income Tax Act	-	2,669.94	-	-	2,669.94
	(2,830.70)	2,782.60	-	12.78	(35.32)
Unabsorbed depreciation and tax losses	10,031.26	791.78	-	-	10,823.04
	7,200.56	**3,574.38**	**-**	**12.78**	**10,787.72**

Notes:

1 The group has tax losses of ₹ 53,017.89 lakhs (31 March, 2018 - ₹ 41,261.38 lakhs) that are available for offsetting for eight years against future taxable income of the respective Companies. The losses will expire as under:

	Amount ₹ in lakhs
Year ending 31 March, 2020	60.89
Year ending 31 March, 2021	65.10
Year ending 31 March, 2022	388.24
Year ending 31 March, 2023	11,767.82
Year ending 31 March, 2024	6,109.84
Year ending 31 March, 2025	2,963.34
Year ending 31 March, 2026	11,018.88
Year ending 31 March, 2027	20,643.77
	53,017.89

2 The Group has recognised deferred tax assets on its unabsorbed depreciation and business losses carried forward. The Group has executed flat / plot sale agreements with the customers against which the Group has also received advances, as disclosed in Note 23 of the consolidated financial statements. Revenue in respect of such sale agreements will get recognised in future years on completion of projects. Based on these sale agreements, the Group 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 Group has created deferred tax assets on its carried forward unabsorbed depreciation and business losses.

3 The recognition of deferred tax assets on unabsorbed depreciation and tax losses is based on detailed budgets prepared by the respective companies and have been approved by their board of directors.

12. Other assets

(₹ in lakhs)

		As at 31-March-19	As at 31-March-18
I	**Non-Current**		
a.	Capital advances	248.02	204.57
b.	Advances for land purchase to related parties	-	83.58
c.	Advances for land purchase to others	422.84	1,573.45
d.	Upfront fee paid for projects (Unamortised)	21,460.38	23,223.32
e.	Prepaid expenses	180.64	186.54

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

			As at 31-March-19	As at 31-March-18
	f.	Others	55.57	99.18
			22,367.45	**25,370.64**
II	**Current**			
	a.	Advances for land purchase to others	3,596.37	7,730.63
	b.	Amounts due from customers under construction contracts	-	10.00
	c.	Upfront fee paid for projects (Unamortised)	1,872.57	2,206.49
	d.	Prepaid expenses	4,441.95	2,719.55
	e.	Input Tax Credit receivable	3,375.09	2,955.60
	f.	Advances to suppliers	8,010.61	9,760.80
	g.	Unbilled receivables	-	38,791.79
	h.	Others	689.14	827.10
			21,985.73	**65,001.96**

13. Inventories

(₹ in lakhs)

		As at 31-March-19	As at 31-March-18
Inventories (lower of cost and net realisable value)			
a.	Work-in-progress	5,22,594.20	3,62,752.85
b.	Finished flats/properties	7,035.82	6,115.98
		5,29,630.02	**3,68,868.83**

Note:
The group has classified its inventory of work-in-progress and finished properties as current. Details of inventories expected to be realised after more than 12 months from the reporting date is as under:

	As at 31-March-19	As at 31-March-18
Less than 12 months	1,00,000.00	55,000.00
More than 12 months	4,29,630.02	3,13,868.83
	5,29,630.02	**3,68,868.83**

14. Trade receivables

(₹ in lakhs)

	As at 31-March-19	As at 31-March-18
Unsecured, considered good		
Trade receivables (see note 48)	29,126.49	63,533.59
	29,126.49	**63,533.59**

Notes:

1. The average credit period is 30 to 45 days. For payments, beyond credit period, interest is charged as per the terms of Agreement with Buyers.

2. The real estate sales are made on the basis of cash down payment or construction linked payment plans. In case of construction

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

linked payment plans, invoice is raised on the customer in accordance with milestones achieved as per the flat buyer agreement. The final possession of the property is offered to the customer subject to payment of full value of consideration. The possession of the property remains with the group till full payment is realised. Accordingly, the group does not expect any credit losses.

(₹ in lakhs)

	As at 31-March-19	As at 31-March-18
15 Cash and cash equivalents		
a. Balances with banks:-		
i. In current accounts	3,393.08	789.71
b. Cash on hand	52.63	54.14
	3,445.71	**843.85**

16. Bank balances, other than Cash and cash equivalents (₹ in lakhs)

	As at 31-March-19	As at 31-March-18
A. Deposits with banks held as margin money or security against borrowings or guarantees	5,623.58	5,624.63
	5,623.58	**5,624.63**

(₹ in lakhs)

	As at 31-March-19	As at 31-March-18
17 Tax assets and liabilities (Net)		
I. Tax assets		
Tax refund receivables	3,561.71	4,028.85
	3,561.71	**4,028.85**
II. Current tax liabilities		
Tax payable/provisions	1.81	3.21
	1.81	**3.21**

18. Equity share capital

	As at 31-March-19		As at 31-March-18	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Authorised Share Capital				
i. Equity shares of ₹ 5 each	60,00,00,000	30,000.00	60,00,00,000	30,000.00
ii. Preference shares of ₹ 10 each	5,00,00,000	5,000.00	5,00,00,000	5,000.00
	65,00,00,000	**35,000.00**	**65,00,00,000**	**35,000.00**
Issued, subscribed and fully paid-up capital				
i. Equity shares of ₹ 5 each	43,51,81,170	21,759.06	43,51,81,170	21,759.06
	43,51,81,170	**21,759.06**	**43,51,81,170**	**21,759.06**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

Refer notes (i) to (iv) below:

(i) Rights, preferences and restrictions attached to equity shares:

The Company has issued only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Reconciliation of share capital:

	Number of Shares	Share Capital ₹ lakhs
Balance as at 31 March, 2017	43,51,81,170	21,759.06
Movements during the year	-	-
Balance as at 31 March, 2018	**43,51,81,170**	**21,759.06**
Movements during the year	-	-
Balance as at 31 March, 2019	**43,51,81,170**	**21,759.06**

(iii) Details of shares held by each shareholder holding more than 5% of total share capital:

Name of shareholder		As at 31-March-19		As at 31-March-18	
		Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Equity shares of ₹ 5 each, fully paid up:					
i.	Pradeep Kumar Jain	10,31,12,436	23.69	11,71,56,162	26.92
ii.	Pradeep Kumar Jain & Sons (HUF)	8,96,32,571	20.60	9,73,32,571	22.37
iii.	Parasnath And Associates Private Limited	4,71,86,992	10.84	4,71,86,992	10.84
iv.	Nutan Jain	4,21,59,644	9.69	4,49,11,886	10.32

(iv) The Company has not issued any preference share capital.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

19. Other Equity

₹ in lakhs

	As at 31-March-19	As at 31-March-18
Capital Reserve	2,045.60	2,045.60
Capital Redemption Reserve	230.00	230.00
Securities premium	1,45,591.47	1,45,591.47
Debenture redemption Reserve	7,742.20	14,527.50
Foreign Currency Translation Reserve	51.53	5.84
General Reserve	9,310.00	9,310.00
Retained earnings	(92,491.10)	22,993.09
Other comprehensive income	6.50	33.35
	72,486.20	**194,736.85**
Capital Reserve		
Balance at the beginning of the year	2,045.60	2,045.60
Balance at the end of the year	**2,045.60**	**2,045.60**
Capital Redemption Reserve		
Balance at the beginning of the year	230.00	230.00
Balance at the end of the year	**230.00**	**230.00**
Securities premium		
Balance at the beginning of the year	1,45,591.47	1,45,591.47
Balance at the end of the year	**1,45,591.47**	**1,45,591.47**
Debenture Redemption Reserve		
Balance at the beginning of the year	14,527.50	14,302.50
Add : Transferred from retained earnings	-	225.00
Less: Transferred to retaind earnings	6,785.30	-
Balance at the end of the year	**7,742.20**	**14,527.50**
Foreign Currency Translation Reserve		
Balance at the beginning of the year	5.84	(13.91)
Add/(less): Effect of exchange rate variations during the year	45.69	19.75
Balance at the end of the year	**51.53**	**5.84**
General Reserve		
Balance at the beginning of the year	9,310.00	9,310.00
Balance at the end of the year	**9,310.00**	**9,310.00**
Retained earnings		
Balance at the beginning of the year	22,993.09	54,924.60
Less: Adjustments due to adoption of IND AS-115 as at 01.04.2018 (see note 45)	85,936.42	-
Add: Profit/(Loss) for the year	(36,333.07)	(31,706.51)
Less: Transferred to Debenture Redemption Reserve	-	(225.00)
Add: Transferred from Debenture Redemption Reserve	6,785.30	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

	As at 31-March-19	As at 31-March-18
Balance at the end of the year	**(92,491.10)**	**22,993.09**
Other comprehensive income		
Balance at the beginning of the year	33.35	69.72
Add: Measurement of defined benefit obligation	(26.85)	(36.37)
(net of income tax)	6.50	33.35
	72,486.20	**1,94,736.85**

Nature and purpose of reserves:

a. Capital reserve - Capital reserve represents excess of share of equity in the subsidiaries as on the date of investment in excess of cost of investment of the group, as adjusted for changes in group share in the subsidiaries.

b. Capital redemption reserve - The amount was transferred from retained earnings. The amount of reserve is equal to nominal value of equity shares brought back by the group.

c. General reserve - The group has transferred a part of the net profit of the Company to general reserve in earlier years.

d. Securities premium reserve - The amount received in excess of the face value of the equity shares issued by the group is recognised in securities premium.

e. Debenture redemption reserve - The amount has recognised debenture redemption reserve from its retained earnings. The amount of reserve is equivalent to 25% of the value of redeemable debentures issued by the group. The reserve is to be utilised for the purpose of redemption of debentures.

f. Retained earnings - Retained earnings are profits/(losses) of the group earned till date less transferred to general reserve and debenture redemption reserve.

g. Foreign currency translation reserve - It represents exchange difference on translation of financial statements of a foreign subsidiary.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

20. Non-current borrowings

₹ in lakhs

	As at 31-March-19		As at 31-March-18	
	Non Current	Current	Non Current	Current
Secured - at amortised cost				
(i) Debentures				
13.00% Non-convertible redeemable debentures (Series XIV)	-	8,873.14	8,754.53	26,625.09
16.00% Non-convertible Redeemable debentures (Series XIV)	21,879.53	-	20,999.43	-
15.00% Non-convertible Redeemable debentures (Series A)	36,000.00	-	36,000.00	-
15.50% Non-convertible Redeemable debentures (Series B)	24,439.00	-	24,439.00	-
14% Non-convertible debentures	18,000.00	-	-	-
19.00% Non-convertible redeemable debentures (Series XV)	-	-	-	616.00
19.00% Non-convertible redeemable debentures (Series XVI)	1,794.70	299.12	1,269.00	725.00
	1,02,113.23	9,172.26	91,461.96	27,966.09
(ii) Term loans				
from banks	842.22	52.64	760.00	309.21
from financial institutions / other parties	1,65,650.39	54,990.45	1,86,102.42	46,227.30
	1,66,492.61	55,043.09	1,86,862.42	46,536.51
Total Secured non-current borrowings	**2,68,605.84**	**64,215.35**	**2,78,324.38**	**74,502.60**
Unsecured:				
(i) Debentures				
16% Fully Convertible debentures (Series I)	9,340.73		9,340.73	
16% Fully Convertible debentures (Series II)	8,792.66		8,792.66	
0.1% Optional convertible debentures (Series X)	6,550.00		6,550.00	
0.1% Optional convertible debentures (Series Y)	16,000.00		16,000.00	
	40,683.39	-	40,683.39	-
(ii) Inter corporate deposits	58.83	-	222.99	-
(iii) Other borrowoings	314.99	-	-	-
	373.82	-	222.99	-
Total Unsecured non-current borrowings	**41,057.21**	**-**	**40,906.38**	**-**
Total non-current borrowings	**3,09,663.05**	**64,215.35**	**3,19,230.76**	**74,502.60**
Less: Amount disclosed under "Other financial liabilities" [refer Note 21 (ii)]	-	64,215.35	-	74,502.60
	3,09,663.05	**-**	**3,19,230.76**	**-**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

Summary of Borrowings arrangements

(i) The terms of borrowings are stated below:

₹ in lakhs

	Security details	As at 31-March-19	As at 31-March-18	Rate of Interest
	Debentures :			
a.	13% NCDs of ₹ 35,500 lakhs were issued during the year ended 31 March 2015. NCDs are secured by (a) Pledge of certain equity shares of the Company held by promotors group (b) first charge by way of mortgage over a land at Dharuhera and Rahukhedi Indore (c) first charge by way of mortgage over land at Jodhpur (d) second charge on receivables of DMRC projects (i) Azadpur metro station (ii) Games village metro station (iii) Seelampur metro station annexe (iv) Inderlok metro station annexe and (v) Shahdara metro station, and (e) Personal guarantee of Chairman. These NCDs are redeemable in 4 quarterly instalments commencing from July, 2018.	8,875.00	35,500.00	13.00%
b.	16% Redeemable NCDs of ₹ 20,000 lakhs were issued by a subsidiary company during the year ended 31 March, 2017. NCDs are secured by i) first charge over the subsidiary's assets, present and future, including underlying land of the project and Jodhpur project of the company; (b) first charge over all accounts established in relation to the proceeds of the Project and the Debentures, cash flows and distributions, agreements and other rights and properties of the subsidiary company and all monies, securities, instruments and/or cash equivalents deposited or required to be deposited in the bank accounts of the subsidiary company; and (c) first charge over all receivables of the Project and Jodhpur Project (specified units); (d) first charge over (i) all shareholder loans advanced to the subsidiary company; (ii) the subsidiary company's rights and interests under all Approvals, Insurance Contracts, Project Documents and any completion guarantees provided in relation to Project Documents; (iii) pledge over all shareholding of the subsidiary held by the Company; and (iv) guarantees given by the holding company and personal guarantee of Chairman. These NCDs are repayble on the expiry of 36 months from the date of issue and can be extended for a period of 6 months at the option of the Debenture Holders.	20,000.00	20,000.00	16.00%
c.	15.00% NCDs of ₹ 36,000 lakhs were issued by a subsidiary company during the year ended 31 March, 2013. The NCDs are secured by (a) first charge by way of hypothecation of assets, contracts receivables, all present and future book debts, outstandings, monies receivables, claims and receivables of the said subsidiary company together with all and any interest accruing thereon, (b) first and exclusive charge over the leasehold rights of the said subsidiary company in respect of site parcels already leased / to be leased by RLDA. These NCDs are redeemable after the expiry of a period of 36 months but before the expiry of 120 months from the date of allotment i.e. 20 December, 2012.	36,000.00	36,000.00	15.00%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

₹ in lakhs

	Security details	As at 31-March-19	As at 31-March-18	Rate of Interest
d.	15.50% NCDs of ₹ 24,439 lakhs were issued by a subsidiary company during the year ended 31 March, 2014. The NCDs are secured by (a) second charge by way of hypothecation of assets, contracts receivables, all present and future book debts, outstandings, monies receivables, claims and receivables of the said subsidiary company together with all and any interest accruing thereon, (b) second charge over the leasehold rights of the said subsidiary company in respect of site parcels already leased / to be leased by RLDA. These NCDs are redeemable after the expiry of a period of 36 months but before the expiry of 120 months from the date of allotment i.e. 21 August, 2013.	24,439.00	24,439.00	15.50%
e.	19% NCDs of ₹ 616 lakhs were issued during the year ended 31 March 2017. The NCDs are secured by (a) 1st pari passu charge by way of Mortgage over development rights of Palacia Project situated in Greater Noida U.P. (b) Mortgage of Residential Plots at Gurgaon (c) charge on receivables of these projects and (d) personal guarantee of Chairman, Managing Director and a wholetime Director of the company. These NCDs were fully repaid during the year.	-	616.00	19.00%
f.	19% NCDs of ₹ 1,094 lakhs, ₹ 900 lakhs and ₹ 225 lakhs were issued during the years ended 31 March 2017, 31 March, 2018 and 31 March, 2019 respectively. The NCDs are secured by (a) 1st pari passu charge by way of Mortgage over development rights of Palacia Project situated in Greater Noida U.P.(b) Mortgage of Residential Plots at Gurgaon (c) charge on receivables of these projects and (d) personal guarantee of Chairman, Managing Director and a wholetime Director of the company. These NCDs are redeemable in 11 quarterly modified instalments commencing from April, 2018.	2,093.82	1,994.00	19.00%
g.	14% NCDs of ₹ 3500.00 lakhs were issued during the year ended 31 March, 2019 by subsidiary company. The NCDs are secured by (a) First charge over all receivables and Escrow Account(s) of the subsidiary company together with all monies lying in the Escrow account from time to time, subservient to DMRC outstanding/ fees (b) Hypothecation of Receivables of the subsidiary company and charge in the form and manner acceptable to the Debenture Trustee over all the rights and interest of the issuer in the project. (c)Corporate Guarantee of the Holding Company (d) Pledge of 49% share of the Subsidiary Company held by the Holding Company. (e) the Subsidiary Company's rights and interests under all approvals, insurance contracts, project documents and any completion guarantees provided in relation to project documents; (f) Any other Security interest as may be required in terms of the Debenture Trust deed. These NCDs are redeemable on the expiry of 50 months from date of issue.	3,500.00	-	14.00%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

₹ in lakhs

	Security details	As at 31-March-19	As at 31-March-18	Rate of Interest
h.	14% NCDs of ₹ 11,000.00 lakhs were issued during the year ended 31 March, 2019 by subsidiary company. The NCDs are secured by (a) First charge over all receivables and Escrow Account(s) of the subsidiary company together with all monies lying in the Escrow account from time to time, subservient to DMRC outstanding/ fees (b) Hypothecation of Receivables of the subsidiary company and charge in the form and manner acceptable to the Debenture Trustee over all the rights and interest of the issuer in the project. (c)Corporate Guarantee of the Holding Company (d) Pledge of 49% share of the Subsidiary Company held by the Holding Company. (e) the Subsidiary Company's rights and interests under all approvals, insurance contracts, project documents and any completion guarantees provided in relation to project documents; (f) Any other Security interest as may be required in terms of the Debenture Trust deed. These NCDs are redeemable on the expiry of 50 months from date of issue.	11,000.00	-	14.00%
i.	14% NCDs of ₹ 3500.00 lakhs were issued during the year ended 31 March, 2019 by subsidiary company. The NCDs are secured by (a) First charge over all receivables and Escrow Account(s) of the subsidiary company together with all monies lying in the Escrow account from time to time, subservient to DMRC outstanding/ fees (b) Hypothecation of Receivables of the subsidiary company and charge in the form and manner acceptable to the Debenture Trustee over all the rights and interest of the issuer in the project. (c)Corporate Guarantee of the Holding Company (d) Pledge of 49% share of the Subsidiary Company held by the Holding Company. (e) the Subsidiary Company's rights and interests under all approvals, insurance contracts, project documents and any completion guarantees provided in relation to project documents; (f) Any other Security interest as may be required in terms of the Debenture Trust deed. These NCDs are redeemable on the expiry of 50 months from date of issue.	3,500.00	-	14.00%
j.	IND AS Adjustments	1,877.67	879.05	
		1,11,285.49	**1,19,428.05**	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

₹ in lakhs

	Security details	As at 31-March-19	As at 31-March-18	Rate of Interest
	Term Loans :			
a.	Term loan from bank, sanctioned to a subsidiary company, is secured by mortgage of hotel land at Shirdi and buildings theron, first charge on all the movable and immovable assets including receivables of Shirdi Hotel, corporate guarantee of the Company and personal guarantee of Chairman. Term loan is payable in 30 quarterly instalments starting from 3rd quarter of financial year 2015-16. There has been further restructuring of the loan and now the priniciple as on 19th march 2019 shall be payable in 17 equal quarterly instalments starting from 31 January 2020.	894.86	1,069.21	3.25% above the Bank's base rate
b.	Term loan from a non banking finance company, sanctioned to a subsidiary company, is secured by a) Second-ranking hypothecation/ charge on and escrow of all Receivables received/to be received 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); Corporate Guarantee of the Company and a fellow subsidiary company; b) First-ranking and exclusive pledge/charge of 49% of each class of present and/or future shares/ securities and/or the convertible/voting instruments issued/to be issued by the aforesaid subsidiary company. Further, 51% of each class of shares is under negative lien. Term loan upto ₹ 32,810 lakhs is repayable in monthly instalments commencing from April, 2017; upto ₹ 14,200 lakhs in monthly instalments from May, 2018, ₹ 47,800 lakhs in monthly instalments from June, 2018, and ₹ 12,500 lakhs in monthly instalments from August, 2017	85,165.77	93,769.72	13.00% to 15.27%
c.	Term Loan from a non-banking finance company is secured by (a) mortgage & escrow of receivables of (1) project land at Sonepat, (2) project land at Kurukshetra, (3) development rights of group housing project at Gurgaon, and mortgage of all unsold units of the project by the company, Parsvnath Hessa Developers Pvt. Ltd. and Parsvnath Sharmistha Realtors Pvt. Ltd, (b) corporate guarantee of land owning companies, and (c) personal guarantee of Chairman. The term loan is repayable in quarterly instalments commencing from November, 2018.	5,250.00	10,500.00	13.00%
d.	Term loan from a financial institution is secured by mortgage of a project land parcel at Indore, charge on receivables of project at Dharuhera and personal guarantee of Chairman. The term loan is repayable in 57 monthly instalments commencing from October, 2012.	12,491.13	12,491.13	13.50%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

₹ in lakhs

	Security details	As at 31-March-19	As at 31-March-18	Rate of Interest
e.	Term loan from a non-banking finance company is secured by (1) mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula (d) commercial & plotted area at Derabassi (e) Rajpura, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company and (5) Corporate guarantees of land owning companies. The term loan is repayable in monthly instalments commencing from November, 18.	4,475.92	-	14.88%
f.	Term loan from a non-banking finance company is secured by (1) mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula (d) commercial & plotted area at Derabassi (e) Rajpura, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company and (5) Corporate guarantees of land owning companies. The term loan was fully repaid during the year.	-	26,200.00	13.93% to 16.70%
g.	Term loan from a non-banking finance company is secured by (1) extension of mortgage of (a) commercial/other lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura(d) land in Punchkula and (2) Charge on receivables of (a) commercial/ other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula (d) commercial & plotted area at Derabassi, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company and (5) Corporate guarantees of land owning companies. The term loan was fully repaid during the year.	-	9,642.36	11.54% to 19.41%
h.	Term loan from a non-banking finance company is secured by (1) extension of mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura, (d) land in Punchkula and (2) Charge on receivables of (a) commercial/ other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula (d) commercial & plotted area at Derabassi, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company and (5) Corporate guarantees of land owning companies. The term loan is repayable in monthly instalments commencing from January 18.	8,760.48	20,932.52	11.06%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

₹ in lakhs

	Security details	As at 31-March-19	As at 31-March-18	Rate of Interest
i.	Term loan from a non-banking finance company is secured by mortgage of project land at Greater Noida, hypothecation of present and future receivables of the said project and personal guarantee of Chairman. The term loan is repayable in 4 quarterly instalments commencing from September, 2019.	12,000.00	12,000.00	13.00%
j.	Term loan from a non-banking finance company is secured by (1) extension of mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura, (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) Punchkula, (c) commercial & plotted area at Derabassi, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company and (5) Corporate guarantees of land owing companies. The term loan is repayble in monthly instalments commencing from August, 2019.	2,800.00	2,800.00	14.90%
k.	Term loan from a non-banking finance company is secured by (1) extension of mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura, (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula, (d) commercial & plotted area at Derabassi, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company and (5) Corporate guarantees of land owing companies. The term loan is repayble in monthly instalments commencing from August, 2019.	2,700.00	2,700.00	14.90%
l.	Term loan from a non-banking finance company is secured by (1) extension of mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura, (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula, (d) commercial & plotted area at Derabassi, (3) Second charge on receivables of DMRC project at Netaji Subhash Place, (4) Cross Collaterization of the securities with other loans from the lender, (5) personal guarantee of Chairman, Managing Director and a wholetime Director of the company, and (6) Corporate guarantees of land owing companies. The term loan is repayble in monthly instalments commencing from August, 2019.	5,604.50	6,504.50	10.32% to 12.00%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

₹ in lakhs

	Security details	As at 31-March-19	As at 31-March-18	Rate of Interest
m.	Term loan from a non-banking finance company is secured by (1) extension of mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura, (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula (d) commercial & plotted area at Derabassi, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company, and (5) Corporate guarantees of land owing companies. The term loan was fully repaid during the year.	-	16,735.38	12.73% to 12.95%
n.	Term loan from a non-banking finance company is secured by (1) extension of mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura, (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula, (d) commercial & plotted area at Derabassi, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company, and (5) Corporate guarantees of land owing companies. The term loan was fully repaid during the year.	-	3,150.00	19.86%
o.	Term loan from a non-banking finance company is secured by (1) extension of mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura, (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula, (d) commercial & plotted area at Derabassi, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company, and (5) Corporate guarantees of land owing companies. The term loan is repayble in monthly instalments commencing from May, 2018.	3,033.07	7,060.00	18.80%
p.	Term loans from non-banking finance companies are secured by (1) extension of mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura, (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula, (d) commercial & plotted area at Derabassi, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company, and (5) Corporate guarantees of land owing companies. The term loan is repayble in monthly instalments commencing from October, 2018.	4,934.12	8,446.00	11.00%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

₹ in lakhs

	Security details	As at 31-March-19	As at 31-March-18	Rate of Interest
q.	Term loan from a non-banking finance company is secured by (1) extension of mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura, (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula, (d) commercial & plotted area at Derabassi, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company, and (5) Corporate guarantees of land owing companies. The term loan is repayble in monthly instalments commencing from January 20.	7,210.00	7,210.00	11.50%
r.	Term loan from a non-banking finance company is secured by extension of (1) (a) Pledge of certain equity shares of the Company held by promotors group (b) first charge by way of mortgage over a land Dharuhera and Rahukhedi Indore (c) first charge by way of mortgage over land at Jodhpur (d) second charge on receivables of DMRC projects (i) Azadpur metro station (ii) games village metro station (iii) Seelampur metro station annexe (iv) Inderlok metro station annexe, and (v) Shahdara metro station. (2) mortgage & escrow of receivables of (a) project land at Sonepat, (b) project land at Kurukshetra, (c) over development rights of group housing project at Gurgaon, and mortgage of all unsold units of the project by the company, Parsvnath Hessa Developers Pvt. Ltd. and Parsvnath Sharmistha Realtors Pvt. Ltd. (3) corporate guarantee of land owning companies, mortgage of project land at Greater Noida, hypothecation of present and future receivables of the said project and personal guarantee of Chairman. The term loan is repayable in 4 quarterly instalments commencing from July, 2020.	10,000.00	10,000.00	13.00%
s.	Term loan from a non-banking finance company, sanctioned to a subsidiary company, is secured by mortgage of (a) Farm House at New Delhi, (b) Group Housing & Commercial land at Derrabassi, (c) land at Alipur, New Delhi, (d) Land at Rajpura, and (e) Land at Sonepat. The term loan is repayable in monthly instalments commencing from May, 17.	243.92	227.84	17.95%
t.	Term loan from a non-banking finance company is secured by (1) mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula (d) commercial & plotted area at Derabassi (e) Rajpura, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company and (5) Corporate guarantees of land owning companies. The term loan is repayable in monthly instalments commencing from January, 21.	13,300.00	-	9.00%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

₹ in lakhs

	Security details	As at 31-March-19	As at 31-March-18	Rate of Interest
u.	Term loan from a non-banking finance company is secured by (1) mortgage of (a) commercial lands at New Delhi, (b) Commercial land at Derrabassi, (c) land in Rajpura (d) land in Punchkula, (2) Charge on receivables of (a) commercial/other lands, New Delhi, (b) plots, floors and villas at Dharuhera, (c) Punchkula (d) commercial & plotted area at Derabassi (e) Rajpura, (3) Cross Collaterization of the securities with other loans from the lender, (4) personal guarantee of Chairman, Managing Director and a wholetime Director of the company and (5) Corporate guarantees of land owning companies. The term loan is repayable in monthly instalments commencing from April, 19.	64,840.21	-	11.00% to 11.80%
v.	IND AS Adjustments	(22,168.28)	(18,039.73)	
		2,21,535.70	**2,33,398.93**	
	Unsecured debentures:			
a.	16% Fully Convertible Debentures (Series I) issued by a subsidiary company. Each debenture is convertible into one equity share entitled to dividend and/or one different class of share (collectively entitled to 0.001% of the voting rights in the issuing subsidiary) on the terms and conditions mentioned in the 'Investment and Security Holder's Agreement' dated 23 November, 2010 as amended by the first supplementary agreement dated 31 March, 2011.	9,340.73	9,340.73	16.00%
b.	16% Fully Convertible Debentures (Series II) issued by a subsidiary company. Each debenture is convertible into one different class of share entitled to dividend (collectively entitled to 0.001% of the voting rights in the issuing subsidiary) on the terms and conditions mentioned in the 'Investment and Security Holder's Agreement' dated 23 November, 2010 as amended by the first supplementary agreement dated 31 March, 2011.	8,792.66	8,792.66	16.00%
c.	0.1% Optionally convertible debentures (Series X) (OCDs) issued by a subsidiary company. These OCDs shall be converted into Equity Shares in the manner set out in Optionally Convertible Debentures Subscription Agreement dated 21 August, 2013. The holders of these OCDs shall also have a right to convert these OCDs into Non-Convertible Debentures at any time within a period of 12 months from the date of allotment, i.e. 21 August, 2013, on same terms as other NCDs of Series B issued by the said subsidiary company. These OCDs will be redeemed on or before the expiry of 10 years from the date of allotment, at a premium as per the agreement.	6,550.00	6,550.00	0.10%
d.	0.1% Optionally convertible debentures (Series Y) (OCDs) issued by a subsidiary company. These OCDs shall be converted into Equity Shares in the manner set out in Optionally Convertible Debentures Subscription Agreement dated 21 August, 2013. The holders of these OCDs shall also have a right to convert these OCDs into Non-Convertible Debentures at any time within a period of 12 months from the date of allotment, i.e. 21 August, 2013, on same terms as other NCDs of Series B issued by the said subsidiary company. These OCDs will be redeemed on or before the expiry of 10 years from the date of allotment, at a premium as per the agreement.	16,000.00	16,000.00	0.10%
		40,683.39	**40,683.39**	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

(ii) Loans guaranteed by directors (₹ in lakhs)

		As at 31-March-19	As at 31-March-18
a.	Debentures (net of Ind AS adjustment)	32,846.49	58,989.05
b.	Term loans from banks	894.86	1,069.21
c.	Term loans from financial institutions/others (net of Ind AS adjustment)	1,35,231.15	1,38,332.16
		1,68,972.50	**1,98,390.42**

(iii) There were some delays in repayment of Principal and interest during the year which were regularised before the end of the year. The amount of defaults as at the year end are given below:

		As at 31 March, 2019		As at 31 March, 2018	
		Period of default	₹ in lakhs	Period of default	₹ in lakhs
a.	Term loans from financial institutions / others				
	- Principal	1 to 365 days	7,500	1 to 365 days	1,161.78
	- Principal	above 365 days	12,491.13	above 365 days	11,448.56
	- Interest	1 to 89 days	1,257.96	1 to 89 days	1,462.17
	- Interest	90 to 179 days	754.80	90 to 179 days	647.06
	- Interest	above 179 days	7,450.26	above 179 days	3,857.33

21 Other financial liabilities (₹ in lakhs)

			As at 31-March-19	As at 31-March-18
(i)	**Non-Current**			
	a.	Trade/security deposits received	4,119.60	3,899.36
			4,119.60	**3,899.36**
(ii)	**Current**			
	a.	Current maturities of long term debt (Refer Note 20)	64,215.35	74,502.60
	b.	Interest accrued but not due on borrowings	19,362.49	18,250.30
	c.	Interest accrued and due on borrowings	11,875.20	6,713.85
	d.	Interest accrued but not due on others	3,499.58	2,913.96
	e.	Trade/security deposits received	4,615.06	4,382.19
	f.	Book overdraft - Banks	109.14	47.17
	g.	Payables on purchase of fixed assets	270.92	381.81
	h.	Advances from companies	1.16	35.48
	i.	Debentures application money	100.00	-
	j.	Others	1,230.38	1,715.85
			1,05,279.28	**1,08,943.21**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

22 Provisions

(₹ in lakhs)

	As at 31-March-19	As at 31-March-18
Non-current		
a. Employee benefits	440.19	513.75
	440.19	**513.75**
Current		
a. Employee benefits	30.17	55.73
	30.17	**55.73**

23 Other liabilities

(₹ in lakhs)

	As at 31-March-19	As at 31-March-18
Non-current		
a. Advances from customers	1,026.50	611.08
b. Trade / Security deposits received	3,500.00	3,500.00
	4,526.50	**4,111.08**
Current		
a. Advances for Land	-	550.83
b. Advances from customers	2,94,292.54	28,926.33
c. Statutory dues (Contributions to PF, Withholding Tax, GST, Sales Tax, VAT, Service Tax, etc.)	19,538.41	14,150.75
d. Advances received for sale of fixed assets	17.03	50.00
e. Rent received in advance	1,823.82	2,894.47
f. Others	-	249.96
	3,15,671.80	**46,822.34**

24. Current borrowings

₹ in lakh

	As at 31-March-19	As at 31-March-18
I. Secured		
a. Loans repayable on demand		
i. From banks (Cash credit)	7,027.72	8,115.84
b. Short-term loans from banks	-	967.07
c. Loans from other parties	31,966.52	33,932.46
d. Other loans (against vehicles)		
i. From banks	32.37	60.04
II. Unsecured		
a. Loans repayable on demand		
i. From others	8,625.00	3,190.75
	47,651.61	**46,266.16**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

(₹ in lakhs)

		As at 31-March-19	As at 31-March-18	Effective interest rate Percentage
24.1	**Details of securities provided in respect of short term borrowings from banks - cash credit are as under:**			
a.	Cash Credit is secured by first pari passu charge by way of hypothecation of stocks of construction & building materials, work-in-progress, finished goods (flats) and book debts / receivables of various projects/sites and mortgage of some specific units/land parcel/built up property at Moradabad, Greater Noida, Sonepat and Panipat and personal guarantee of Chairman, Managing Director and a wholetime Director of the company.	5,572.41	6,634.80	15.05%
b.	Cash Credit is secured by first pari passu charge by way of hypothecation of stocks of construction & building materials, work-in-progress, finished goods (flats) and book debts / receivables of various projects/sites and mortgage of commercial land at Karnal, personal guarantee of Chairman, Managing Director and a wholetime Director of the company and corporate guarantee of Land owning companies.	447.91	468.06	17.55%
c.	Cash Credit is secured by first pari passu charge by way of hypothecation of stocks of construction & building materials, work-in-progress, finished goods (flats) and book debts / receivables of various projects/sites and mortgage of commercial plot at Rajpura and commercial space at Saharanpur, pledge of term deposit of ₹ 84 lakhs, personal guarantee of Chairman, Managing Director and a wholetime Director of the company and corporate guarantee of land owning company.	1,007.40	1,012.98	14.80%
		7,027.72	**8,115.84**	
24.2	**Details of securities provided in respect of short term loans from banks are as under:**			
a.	Term loan from a bank is secured by mortgage of commercial units/ spaces at Faridabad and personal guarantee of Chairman, Managing Director and a wholetime Director of the company. The loan was fully repaid during the year.	-	972.05	14.65%
b.	IND AS Adjustments	-	(4.98)	
		-	**967.07**	
24.3	**Details of securities provided in respect of loans from financial institutions and others are as under:**			
a.	Term loan from a non-banking finance company is secured by pledge of certain equity shares of the company held by promoters group and mortgage of commercial land at Noida and receivables of the said land, personal guarantee of Chairman, Managing Director and a wholetime Director of the company and corporate guarantee of land owning company. The loan was fully repaid during the year.	-	1,023.49	17.50%
b.	Term loan from a non-banking finance company is secured by pledge of certain equity shares of the company held by promoters group, mortgage of plot No. 11 of group housing project at Moradabad, mortgage of land at Sonepat and personal guarantee of Chairman and cross collateral clause with another term loan from the lender.	2,746.27	2,969.36	17.25%
c.	Term loan from a financial institution is secured against keyman Insurance Policy taken by the company.	962.29	962.29	9.00%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

(₹ in lakhs)

		As at 31-March-19	As at 31-March-18	Effective interest rate Percentage
d.	Term loan from a non-banking finance company is secured by (1) pledge of certain equity shares of the company held by promoters group, (2) mortgage & escrow of receivables of (a) project land at Rohtak (b) commercial project at Bhiwadi & Sonepat, (c) land in Indore, Ujjain & Kochi (d) institutional land at Sonipat, (3) pledge of equity shares of land owing companies (4) charge on receivables from collabrator of Bhiwadi group housing project and (5) personal guarantee of Chairman.	17,500.00	17,500.00	19.00%
e.	Term loan from a non-banking finance company is secured by mortgage of plot No. 11 of group housing project at Moradabad, land at Sonepat and personal guarantee of Chairman and cross collateral clause with another term loan from the lender.	666.65	948.33	17.25%
f.	Term loan from a non-banking finance company is secured by pledge of certain equity shares of the company held by promoters group, mortgage of land at Sonepat and personal guarantee of Chairman.	796.31	1,000.00	21.00%
g.	Term loan from a non-banking finance company, sanctioned to a subsidiary company, is secured by mortgage of (a) Farm House at New Delhi, (b) Group Housing & Commercial land at Derrabassi, (c) land at Alipur, New Delhi, (d) Land at Rajpura, and (e) Land at Sonepat.	1,795.00	2,031.07	17.95%
h.	Term loan from a non-banking finance company, sanctioned to a subsidiary company, is secured by (a) pledge of 51% shareholding in the subsidiary company held by the holding Company, (b) First exclusive charge on the current assets and fixed assets (including hypothecation of all the book debts, operating cash flows, receivables, etc.) of the subsidiary company, (c) First pari passu charge/assignment/mortgage of leasehold rights of the RLDA project, project contracts, rights, goodwill and other intangible assets; mortgage of immovable assets; hypothecation of movable assets including receivables of the subsidiary company, (d) Mortgage & hypothecation of receivables (on pari passu basis) of (i) Hotel plot at Jodhpur owned by a fellow subsidiary, (ii) Township project at Rohtak, (iii) Land at Indore owned by holding company, (iv) City centre project at Bhiwadi owned by holding company, and (v) school land at Sonepat, (e) Corporate guarantee of the holding company (f) personal guarantee of Chairman, and (g) pledge of certain equity shares of holding company held by the promoters group.	7,500.00	7,500.00	16.00%
j.	IND AS Adjustments	-	(2.08)	
		31,966.52	**33,932.46**	
24.4	**Details of securities provided in respect of vehicle loans from banks and others are as under:**			
a.	Loans taken from banks for vehicles are secured by way of hypothecation of specific vehicles financed and personal guarantee of Chairman.	32.37	60.04	9.65% to 10.55%
		32.37	**60.04**	
24.5	**Details of short term borrowings guaranteed by some of the directors:**			
	a. Loans repayable on demand from banks	7,027.72	8,115.84	
	b. Term loans from financial institutions, banks & others (net of Ind AS adjustments)	29,209.23	31,906.17	
	c. Vehicle Loans from bank	32.37	60.04	
		36,269.32	**40,082.05**	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 MARCH, 2019

24.6 Details of Period and amount of default in loan repayment as at year end:

	As at 31 March, 2019		As at 31 March, 2018	
	Period of default	**₹ in lakhs**	**Period of default**	**₹ in lakhs**
a. Term loans from financial institutions / others				
- Principal	1 to 89 days	4,500.00	1 to 34 days	222.05
- Principal	90 to 179 days	4,500.00	1 to 89 days	451.47
- Principal	above 179 days	4,000.00	1 to 121 days	456.82
- Interest	1 to 89 days	1,152.09	1 to 58 days	459.81
- Interest	90 to 179 days	746.08	1 to 90 days	287.48
- Interest	above 179 days	514.01		-

25 Trade Payables

₹ in lakhs

		As at 31-March-19	As at 31-March-18
Total outstanding dues of micro and Small enterprises		148.51	120.36
Sub total-I		**148.51**	**120.36**
Total outstanding dues of creditors other than micro and small enterprises :-			
a.	Trade payables for goods and services	65,454.25	63,257.20
b.	Trade payables for land	13,845.89	13,039.07
	Sub total-II	**79,300.14**	**76,296.27**
	Total (I+II)	**79,448.65**	**76,416.63**

Notes:

1. The disclosure of the amount outstanding to micro and small enterprises are as follows:

₹ in lakhs

		As at 31-March-19	As at 31-March-18
a.	the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year		
	- Principal	148.51	120.36
	- Interest	59.11	45.31
b.	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	0.23	0.17
c.	The amount of interest due and payable for the period of detay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	13.80	10.71
d.	The amount of interest accrued and remaining unpaid at the end of each accountang year; and	59.11	45.31
e.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	1.93	1.93

The above information is based on intimations received by the group from its suppliers.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

26 Revenue from operations

(₹ in lakhs)

		Year ended 31-March-19	Year ended 31-March-18
a.	**Revenue from sale of properties**	79,378.56	9,343.72
		79,378.56	**9,343.72**
b.	**Sale of services**		
	i. Licence fee income	10,385.77	8,903.99
	ii. Rent income	241.31	203.49
	iii. Maintenance charges income	799.99	731.35
		11,427.07	**9,838.83**
c.	**Other operating revenue**		
	i. Sale of scrap	141.96	92.85
	ii. Others	157.93	91.22
		299.89	184.07
		91,105.52	**19,366.62**

27 Other income

(₹ in lakhs)

		Year ended 31-March-19	Year ended 31-March-18
a.	Interest Income:		
	i. From bank deposits	605.29	613.61
	ii. From customers/others	551.64	796.44
b.	Net gain on disposal of Property, Plant & equipment	89.43	48.07
c.	Interest income from Income Tax refund	14.25	10.63
d.	Excess Provisions written back	22.60	25.85
e.	Recovery from Customers	81.31	123.36
f.	Miscellaneous income	74.36	23.54
		1,438.88	**1,641.50**

(₹ in lakhs)

		Year ended 31-March-19	Year ended 31-March-18
28	**Cost of materials consumed**		
	Construction material	1,044.49	2,168.02
		1,044.49	**2,168.02**
29	**Purchase of Stock in Trade**		
	Finished Flats (Purchase return)	(190.03)	(83.02)
		(190.03)	**(83.02)**
30	**Changes in inventories of finished goods and work-in-progress**		
	a. Inventories at the beginning of the year:		
	i Work-in-progress (projects)	3,62,752.85	3,26,474.43
	Add: Opening adjustments in WIP due to Ind AS-115 (see note 45)	1,98,838.11	-
	Less : Transfer/Adjustments during the year	2,255.72	128.70
	ii Finished flats	**5,59,335.24**	**3,26,345.73**
		6,115.98	6,199.00
		5,65,451.22	**3,32,544.73**
	b. Add : Finance costs allocated to inventory of work-in-progress	36,310.01	24,246.51
	(Refer note (i) to note 32)		
	c. Inventories at the end of the year:		
	i Work-in-progress (projects)	5,22,594.20	3,62,752.85
	ii Finished flats	7,035.82	6,115.98
		5,29,630.02	3,68,868.83
	d. Net (increase) /decrease (a+b-c)	**72,131.21**	**(12,077.59)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

31 Employee benefits expense

(₹ in lakhs)

		Year ended 31-March-19	Year ended 31-March-18
a.	Salaries and Wages	2,515.23	3,117.04
b.	Contribution to provident and other funds	59.31	70.51
c.	Staff Welfare expenses	48.61	71.51
		2,623.15	**3,259.05**

32 Finance costs

(₹ in lakhs)

		Year ended 31-March-19	Year ended 31-March-18
a.	Interest costs:		
	i. On borrowings	62,533.30	51,836.61
	ii. To customers / others	3,859.86	2,111.54
	iii. On delayed / deferred payment of statutory liabilities	2,440.22	1,603.23
		68,833.38	55,551.38
	Less:		
	i. Interest cost allocated to inventory of work-in-progress (Refer note (i) below)	36,310.01	24,246.51
		32,523.37	**31,304.87**
b.	Other borrowing cost	1,008.23	1,109.48
		1,008.23	**1,109.48**
		33,531.60	**32,414.35**

Note:

(i) Interest allocable to inventory of projects under progress (work-in-progress) has been segregated from finance cost and reflected under changes in inventories of work-in progress for better presentation (Also refer note 30).

33 Depreciation and amortisation expense

(₹ in lakhs)

		Year ended 31-March-19	Year ended 31-March-18
a.	Depreciation of Property, plant and equipment	123.05	136.79
b.	Depreciation of investment property	30.43	30.46
c.	Amortisation of intangible assets	2,736.64	2,856.39
		2,890.12	**3,023.64**

34 Other expenses

(₹ in lakhs)

		Year ended 31-March-19	Year ended 31-March-18
a.	Power and fuel	1,101.61	873.03
b.	Rent including lease rentals	1,571.41	1,812.19
c.	Repair and maintenance		
	- Building	167.93	121.71
	- Machinery	14.06	24.82
	- Others	683.94	679.42
d.	Insurance	41.39	59.77
e.	Rates and taxes	1,034.16	667.75
f.	Postage and telegram	41.66	64.27
g.	Travelling and conveyance	122.49	178.95
h.	Printing and stationery	62.99	66.36
i.	Advertisement and business promotion	18.80	86.45
j.	Sales commission	43.60	807.63

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

		Year ended 31-March-19	Year ended 31-March-18
k.	Vehicle running and maintenance	63.74	66.57
l.	Rebate and discount	126.14	204.03
m.	Legal and professional charges	2,078.03	1,072.78
n.	Payment to auditors (see note below)	76.14	74.56
o.	Project consultancy fee	70.89	164.74
p.	Loss of share of AOP	0.24	
q.	Loss on sale of Property, Plant and Equipments	-	6.41
r.	Compensation paid to customers	644.62	893.17
s.	Miscellaneous expenses	402.08	333.14
		8,365.92	**8,257.75**
Note:			
Payment to auditors comprise:			
i.	**To statutory auditors**		
	a. Statutory audit fee	40.00	38.00
	b. Tax audit fee	2.00	2.00
	c. Limited reviews fee	30.00	30.00
	d. Reimbursement of out-of-pocket expenses	0.14	0.56
		72.14	70.56
ii.	**To cost auditors**	4.00	4.00
		76.14	**74.56**

35 Income tax

(₹ in lakhs)

		Year ended 31-March-19	Year ended 31-March-18
i.	Income tax expense/(benefit) recognised in Statement of Profit and Loss		
	Current tax		
	In respect of the current year	5.82	1.13
	Tax adjustment for earlier years	1,563.74	16.20
		1,569.56	**17.33**
	Deferred tax		
	In respect of the current year	(4,995.93)	(3,574.38)
		(4,995.93)	**(3,574.38)**
	Total income tax expense/(benefit) recognised	**(3,426.37)**	**(3,557.05)**
ii.	Income tax expense/(benefit) reconciliation with effective tax rate on accounting profit:		
	Profit/(loss) before tax	(40,165.91)	(35,952.73)
	Income tax expense calculated at 26.0% (2017-18: 26%)	(10,443.14)	(9,347.71)
	Effect of tax rate change during the year	-	1,141.84
	Effect of expenses that are not deductible in determining taxable profit	4,282.99	2,998.82
	Adjustments recognised in the current year in relation to the current tax of previous years	1,563.74	16.20
	Deferred tax not recognised in subsidiaries on carry forward losses due to prudence	470.71	393.01

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

		Year ended 31-March-19	Year ended 31-March-18
	Tax on unrealised profits on inter-group sales/profit	283.90	995.99
	Others	415.43	244.80
	Income tax expense/(benefit) recognised in statement of profit and loss	**(3,426.37)**	**(3,557.05)**
	The tax rates used for the financial year 2018-19 and 2017-18 in reconciliation above is the corporate tax rate of 25% plus education and health cess of 4% on corporate tax, payable by corporate entities in India on taxable profits under the Indian tax laws.		
iii.	Income tax recognised in other comprehensive income		
	Remeasurements of defined benefit obligation	(9.44)	(12.78)
	Total income tax recognised in other comprehensive income	**(9.44)**	**(12.78)**

36 Contingencies (₹ in lakhs)

			As at 31-March-19	As at 31-March-18
a.	Claims against the Group not acknowledged as debts*:			
	i.	Demand for payment of stamp duty	433.00	433.00
	ii.	Customer complaints pending in courts	70,316.41	70,720.10
	iii.	Civil cases against the group	5,460.01	2,688.93
	iv.	Income tax demand	906.48	906.48
	v.	Value Added Tax / Trade tax demand	1,870.56	1,838.34
	vi.	Licence fee to DMRC (see note 40)	3,080.36	2,188.20
	vii.	Others	27.74	4.22
b.	Future export obligations against EPCG licence		87.55	87.55
c.	Corporate gurantees issued in respect of loan taken by others		-	39,100.00

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

37 Commitments (₹ in lakhs)

		As at 31-March-19	As at 31-March-18
a.	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	17,021.97	17,546.59
b.	The Group has other commitments, for purchase orders which are issued after considering requirements as per the operating cycle for purchase of goods and services, in the normal course of business.		

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

39 There were no amounts which were required to be transferred to the Investor Education and Protection Fund, during the year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

40 The Holding Company has entered into concession agreements with Delhi Metro Rail Corporation Limited (DMRC) for various projects on Build-Operate-Transfer (BOT) basis. In case of Tis Hazari project, the Holding Company was unable to commercially utilise the properties due to lack of clarity between DMRC and Municipal Corporation of Delhi (MCD) with respect to authority for sanction of building plans. In view of the delay, the Holding Company has sought concessions from DMRC and has invoked the Arbitration clause under the concession agreement in case of this project. The Arbitral Tribunal has announced its award in favour of DMRC. The Holding Company has now filed an appeal in the Delhi High Court against this award and the proceedings are going on.

In case of another project, viz. Welcome Mall, construction activities had to be suspended as the property development area allotted to the Holding Company was infringing the proposed line of Metro Station to be constructed by DMRC under phase III. Consequently, the construction activities could not be restarted due to DMRC's inability to provide necessary clarification regarding FAR availability on the property development area and final approved revised layout plan from MCD. The Holding Company has invoked the Arbitration clause under the concession agreement and the proceedings are going on.

Pending arbitration award / necessary clarifications and documents, the Holding Company has not provided for recurring licence fees amounting to ₹ 3,080.36 lakhs (previous year ₹ 2,188.20 lakhs) and has shown the same under contingent liabilities. However, the Holding Company has continued to carry forward the advances / costs incurred on these projects after charging for amortisation / depreciation on periodical basis.

In case of another project, viz. Netaji Subhash Place, after the earlier arbitration award in favour the Holding Company, a settlement deed was signed between DMRC and the Holding Company. However, there was a dispute on deciding the first date of escalation of recurring payment. The Holding Company invoked the arbitration clause under the concession agreement and the matter has been decided in favour of the Holding Company vide Arbitration order dated 20 July, 2018.

In case of another project, viz. Seelampur Plot, the sanction of building plans by MCD got delayed for want of No Objection Certificate (NOC) from Government agencies. Accordingly, DMRC was approached to waive the recurring payment liability for the disputed period. Since an amicable resolution could not be reached out between the Holding Company and DMRC, the Holding Company invoked "Arbitration Clause" under the concession agreement for settlement of the matter and the proceedings are going on.

41 Pursuant to Investment Agreement dated 21 December, 2010 entered into between the Holding Company, Parsvnath Buildwell Private Limited (PBPL), Parasnath And Associates Private Limited (Co-Promoter) and two overseas Investment entities (Investors) and 'Assignment of Development Rights Agreement' dated 28 December, 2010 entered into with PBPL and Collaborators, the Holding Company had assigned Development Rights in respect of one of its projects, namely, 'Parsvnath Exotica, Ghaziabad' (on land admeasuring 31 acres) situated at Village Arthala, Ghaziabad (the Project) to PBPL on terms and conditions contained therein.

The project has been delayed due to non-receipt of approval for the revised building plans.

The collaborators (land owners) are seeking cancellation of the Development Agreement and other related agreements and have taken legal steps in this regard. PBPL invoked the arbitration clause and as a consequence of the land owners not appointing their nominee Arbitrator, PBPL approached the High Court at Allahabad for appointment of Arbitrator under section 11 of the Arbitration and Conciliation Act. However, the Hon'ble Supreme Court while hearing a Civil Appeal filed by PBPL and the Holding Company in another matter stayed the appointment of arbitrator by the Allahabad High Court vide Order dated 09.04.2018 and further directed the land-owner to co-operate with PBPL for getting the building plan approved by the Ghaziabad Development Authority.

During the financial year 2016-17, the Holding Company had entered into a Settlement Agreement with investors for which execution petition for enforcement filed by the investors before the Delhi High Court has been amicably settled pursuant to which the Investment Agreement dated 21 December, 2010 stands cancelled and the securities held by the investors have been acquired by the Holding Company during the year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

42 The Holding Company had entered into a Memorandum of Understanding (MOU) dated 22 December, 2010 with Parsvnath Realcon Private Limited (PRPL), a wholly owned subsidiary of its subsidiary Parsvnath Buildwell Private Limited (PBPL) in terms of which the Holding Company had assigned development rights of the project, namely, 'Parsvnath Paramount' on land admeasuring 6,445 square metres situated at Subhash Nagar, New Delhi to PRPL. The Holding Company has also entered into 'Project Management Agreement' with PRPL and PBPL for overall management and coordination of project development. Further, the Holding Company has given the following undertakings to PRPL:

a. It shall complete the project within the completion schedule and construction cost as set out in the Agreement.

b. The project revenues from the sold area shall be at least the amount set out in the Agreement.

c In the event of construction cost overrun or revenue shortfall, the Holding Company shall contribute such excess/shortfall amount against allotment of equity shares or other instruments at such premium as may be mutually determined by the parties.

The progress of the project had been hampered due to non-receipt of approval for revised building plans by South Delhi Municipal Corporation (SDMC) and the matter is pending before the Appellate Tribunal, MCD (ATMCD) for adjudication.

Consequently, as a result of delay in completion of the project, Resident Welfare Association has filed complaints against the Holding Company and its Directors which are pending before the Economic Offence Wing and Delhi High Court.

The Holding Company has also filed a Civil Writ Petition before the Hon'ble Delhi High Court against SDMC, DDA, MoUD and DMRC seeking directions from the Hon'ble Court for getting this issue resolved. The matter is being heard by the Hon'ble Delhi High Court and it is expected that it would be resolved soon.

43 The Holding Company had entered into a Development Agreement (DA) with Chandigarh Housing Board (CHB) for the development of an integrated project ('the project') at Chandigarh. Owing to various factors, disputes had arisen between the Holding Company and CHB. Consequently, the Holding Company had invoked the arbitration clause in the DA. Hon'ble Sole Arbitrator had pronounced the award in January, 2015 which was accepted by the Holding Company and the CHB. Pursuant to the arbitration award, the project was discontinued and surrendered to CHB.

Subsequent to the acceptance and implementation of the award, it was noticed that due to a computational error in the award, the awarded amount was deficient by approximately ₹ 14,602.00 lakhs. Consequently, the Holding Company made an application to the Hon'ble Sole Arbitrator for correction of the computational error. However, the Sole Arbitrator in his findings, while admitting the error, stated that after acceptance and implementation of the award by both the parties he had become non-functionary and therefore rejected the claims made by the Holding Company. The Holding Company has since filed its objections under section 34 of the Arbitration and Conciliation Act, 1996 read with section 151 of Code of Civil Procedure (CPC) before the Additional District Judge cum MACT, Chandigarh and the Court had issued notice to CHB for filing its reply and also called for the Arbitral Record from the Sole Arbitrator. The Additional District Judge, Chandigarh dismissed our application on 30 May, 2018. Aggrieved by the said order, the Holding Company preferred an appeal under section 37 of the Arbitration and Conciliation Act, 1996 before the Hon'ble Punjab & Haryana High Court at Chandigarh and the proceedings are going on. Pending decision of the Hon'ble Punjab & Haryana High Court, the amount of ₹ 14,045 lakhs (net of tax deducted at source) has been shown as recoverable and included under 'other financial assets' in Note 10.

44 Parsvnath Film City Limited (PFCL), a subsidiary of the Company had given an advance of Rs. 4,775.00 lakhs to 'Chandigarh Administration' (CA), being 25% of the consideration amount for acquisition of development rights in respect of a plot of land admeasuring 30 acres, under Development Agreement dated 2 March, 2007 for development of a "Multimedia-cum-Film City" Complex. Since CA could not handover the possession of the said land to PFCL in terms of the said Development Agreement. PFCL invoked the arbitration clause for seeking refund of the allotment money paid along with compensation, cost incurred and interest thereon.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

The Arbitral Panel vide its order dated 10 March, 2012, had decided the matter in favour of PFCL and awarded refund of ₹ 4,919.00 lakhs towards the earnest money paid and other expenses incurred by PFCL along with interest @ 12 % per annum. Subsequently, the CA filed a petition before the Additional District Judge at Chandigarh challenging the award under section 34 of The Arbitration and Conciliation Act, 1996. The said petition was dismissed by the Hon'ble District Judge vide his order dated 07 May, 2015.

The Execution Petition was filed before Additional District Judge (ADJ), Chandigarh for the execution of the Arbitral Award by PFCL. In the meantime, CA filed an appeal under section 37 of the Arbitration and Conciliation Act, 1996 before the Punjab and Haryana High Court at Chandigarh against the orders of the ADJ, Chandigarh pertaining to the Award of Arbitral Tribunal. The Hon'ble High Court allowed the appeal filed by CA and set aside the arbitral award vide its orders dated 17 March, 2016. PFCL had filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court of India which has since been admitted and notice has been issued to the Opposite Party. CA has also filed a Special Leave Petition before the Hon'ble Supreme Court for allowing the counter claims made by them and both the matters have been tagged together and the matters are listed before the Ld. Registrar for completion of pleadings. Once the pleadings are completed, the Holding Company proposes to move an application for early hearing in the matter.

45 The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 on 28 March, 2018. As per these rules, Ind AS 115 "Revenue from Contracts with customers" has become applicable to the Group for accounting period beginning on or after 1 April, 2018. Accordingly, the Group has applied Ind AS 115 as on the transition date of 1 April, 2018. The Group has applied modified retrospective approach to its real estate projects that were not completed as at 1 April, 2018, accordingly profit recognised on such projects upto 31 March, 2018 amounting to ₹ 85,936.42 lakhs (net of deferred tax assets ₹ 5,820.05 lakhs), as per the existing revenue recognition standards has been de-recognised and debited to retained earnings as at 1 April, 2018. 'Cost of goods sold" amounting to ₹ 1,98,838.11 Lakhs has been added to opening inventory with corresponding adjustment of revenue recognised in earlier years to trade receivables / advances from customers. The comparatives have not been restated and hence the current year figures are not comparable to the previous year figures. Due to application of Ind AS 115 for the year ended 31 March, 2019, revenue from operations is higher by ₹ 7,863.72 lakhs, and loss after tax is lower by ₹ 7,804.95 lakhs, than it would have been if the replaced standards were applicable. The basic and diluted EPS for the year is ₹ (8.36) per share instead of ₹ (10.15) per share.

46 The Holding Company was declared as the "Selected Bidder" for grant of lease for development of project on a plot of land at Sarai Rohilla, Kishanganj, Delhi by 'Rail Land Development Authority' (RLDA) vide its 'Letter of Acceptance' (LOA) dated 26 November, 2010. In terms of the LOA, the project was being implemented through a Special Purpose Vehicle (SPV), Parsvnath Promoters and Developers Private Limited (PPDPL). Subsequently, in terms of the requirements of RLDA, another Company in the name of Parsvnath Rail Land Project Private Limited (PRLPPL) was incorporated as an SPV to implement the project. RLDA has accepted PRLPPL as the SPV vide its letter dated 3 August, 2012.

The Holding Company has executed an 'Investment and Security Holders' Agreement dated 20 December 2012 with PRLPPL and two overseas Investment entities (Investors) in relation to the project. Subsequently, the Holding Company has executed an 'Amended and Restated Investment and Security Holders Agreement' on 21 August, 2013 with PRLPPL and aforesaid Investors for financing of the project.

Due to multifarious reasons, including the lack of statutory approvals of lay out and building plans by NDMC, PRLPPL was not able to achieve 'Financial Closure' as per Article 7 of the Agreement which resulted in deemed termination of the agreement. The Holding Company and PRLPPL had invoked the arbitration clause in the development agreement for recovery of amount paid to RLDA together with interest thereon on deemed termination of agreement by way of instituting two Arbitral proceedings namely Arbitration I & II. The Arbitral Tribunal has announced its award in respect of the Arbitration II dated 25 November, 2017 directing RLDA to refund the amount of ₹1,03,453.78 lakhs along with 4% interest per annum payable with effect from the 15 July, 2015 till the date of recovery. RLDA filed its objections under section 34 of the Arbitration and Conciliation Act, 1996 before the Hon'ble Delhi High Court for setting aside the said Arbitral award, which was rejected by the Court vide its order dated 3 April, 2018. RLDA then filed an appeal under section 37 of the Arbitration and Conciliation Act, 1996 before the Division Bench of the Hon'ble Delhi High

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

Court. However, the Court dismissed the appeal filed by RLDA and upheld the order of the Delhi High Court and award of the Arbitral Tribunal vide its judgement dated 14 March, 2019. The Holding Company and PRLPPL have also filed an enforcement petition for the enforcement of the award dated 25 November, 2017.

RLDA has now filed a Special Leave Petition before the Hon'ble Supreme Court of India against the order dated 14 March, 2019 of the Division Bench of the Hon'ble Delhi High Court. Meanwhile, in the enforcement petition filed by the Holding Company and PRLPPL against RLDA, the Hon'ble Delhi High Court in its last hearing held on 22 May, 2019 has directed RLDA to deposit the amount in the terms of the Arbitral award dated 25 November, 2017 within eight weeks from the said date.

In case of Arbitration I (with respect to RLDA's liabilty for payment of interest to PRLPPL on installments received in excess of and prior to RLDA's entitlement), the Arbitral Tribunal by award dated 1 June, 2018 rejected the claim of ₹ 41,946.79 Lakhs filed by the Holding Company and PRLPPL and further directed them to pay the cost incurred in the proceedings amounting to ₹ 97.00 Lakhs. The Holding Company and PRLPPL have filed an appeal before the Hon'ble Delhi High Court against the said award and the proceedings are going on.

The Holding Company and PRLPPL have further initiated Arbitration proceedings (Arbitration III) seeking inter-alia refund of the amounts retained as alleged losses by RLDA and losses incurred on account of RLDA's breach of its representations and warranties in respect of the land sought to be leased. The Arbitration proceedings have since commenced.

Advance amount paid to RLDA for allotment of project including amount spent on developmenmt of the said project has been shown as recoverable from RLDA and accordingly reflected under'other financial assets' in note 10.

47 The Group has incurred cash losses during the current and previous years. Due to continued recession in the real estate sector owing to slow down in demand, the Group is facing tight liquidity situation as a result of which there have been delays/defaults in payment of principal and interest on borrowings, statutory liabilities, salaries to employees and other dues. Also, the Group continues to face lack of adequate sources of finance to fund execution and completion of its ongoing projects resulting in delayed realisation from its customers and lower availability of funds to discharge its liabilities. The Group is continuously exploring alternate sources of finance, including sale of non-core assets to generate adequate cash inflows for meeting these obligations and to overcome this liquidity crunch. In the opinion of the Management, no adverse impact is anticipated on future operations of the Group.

48 Trade receivables

Trade receivables include ₹ 19,166.89 lakhs (Previous year ₹ 48,854.27 lakhs) outstanding for a period exceeding six months. Due to continued recession in the industry, there have been delays in collections from customers. In view of industry practice and terms of agreement with customers, all these debts are considered good for recovery and hence no provision is considered necessary.

49 In the opinion of the Board of directors, current and non-current assets do have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

50 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) during the year. Further, Parsvnath Buildwell Private Limited and Parsvnath Hessa Developers Private Limited, subsidiaries of the Company, spent ₹0.74 lacs and ₹1.14 lacs respectively by way of depositing the amount with the Prime Minister's National Relief Fund during the year for the amounts due during the previous financial year 2017-18.

51 The Group has no outstanding derivative or foreign currency exposure as at the end of the current year and previous year.

52 The Group companies are engaged in the business of real estate development, which has been classified as infrastructural facilities as per Schedule VI to the Companies Act, 2013. Accordingly, provisions of section 186 of the Companies Act are not applicable to the company and hence no disclosure under that section is required.

53 The Group is setting up various projects on Build Operate Transfer (BOT) basis. Costs incurred on these Projects till completion of the project are reflected as 'Intangible assets under development'. Details of incidental expenditure incurred during construction in respect of these projects debited to **'Intangible assets under development'** are as under:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in lakhs)

		Year ended 31-March-19	Year ended 31-March-18
a.	Salaries and wages	22.39	10.74
b.	Contribution to provident and other funds	1.03	3.85
c.	Legal and professional charges	24.69	28.80
d.	Licence fee	2,135.05	2,044.51
e.	Miscellaneous expenses	74.43	25.42
		2,257.59	**2,113.32**

54 The Group is setting up SEZs and Hotels. Costs incurred on these Projects till completion of the project are reflected as **'Capital work-in-progress'**. Details of incidental expenditure incurred during construction in respect of these projects debited to **'Capital work-in-progress'** are as under:

(₹ in lakhs)

		Year ended 31-March-19	Year ended 31-March-18
a.	Legal and professional charges	14.34	2.59
b.	Miscellaneous expenses	5.24	3.75
		19.58	**6.34**

55 Details of borrowing costs capitalised during the year:

(₹ in lakhs)

		Year ended 31-March-19	Year ended 31-March-18
a.	Intangible assets/assets under development	7,378.83	5,752.08
b.	Capital work-in-progress	125.66	143.73
c.	Inventory	36,310.01	24,246.51
		43,814.50	**30,142.32**

56 Segment information

The chief operating decision maker ('CODM') for the purpose of resource allocation and assessment of segments performance focuses on Real Estate, thus operates in a single business segment. The group Companies are mainly operating in India, which is considered as single geographical segment. Accordingly, the reporting requirements for segment disclosure as prescribed by Ind AS 108 are not applicable.

57 Employee benefit plans

a Defined contribution plan

The Group makes Provident Fund contributions to Regional Provident Fund Commissioner (RPFC) and ESI contributions to Employees State Insurance Corporation (ESIC), which are defined contribution plans, for qualifying employees. The Group contributes a specified percentage of salary to fund the benefits. The contributions payable to these plans by the Group are at the rates specified in the rules of the scheme. The amount of contribution is as under:

(₹ in lakhs)

		Year ended 31-March-19	Year ended 31-March-18
a.	Contribution to Provident Fund	44.63	53.44
b.	Contribution to ESI	14.68	17.07
		59.31	**70.51**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

b Defined benefit plan

The Group 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 present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

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

(₹ in lakhs)

	Particulars	2018-19	2017-18
i	**Components of employer's expenses:**		
	Current service cost	26.92	45.76
	Past service cost	-	15.28
	Interest cost	33.92	26.04
	Actuarial (gain)/loss	-	-
	Net charge/(credit)	**60.84**	**87.08**
ii	**Actual contribution and benefit**		
	Actual benefit payments	170.12	48.48
	Actual contributions	-	-
		170.12	**48.48**
iii	**Net liabilities/ (assets) recognised**		
	Present value of defined benefit obligation	355.46	448.13
	Fair value of plan assets	-	-
	Net liabilities/ (assets) recognised in the balance sheet	**355.46**	**448.13**
	Note: The fair value of plan assets is Nil, since defined benefit plans are unfunded.		
	Short-term provisions	14.83	39.38
	Long-term provisions	340.63	408.75
		355.46	**448.13**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in lakhs)

	Particulars	2018-19	2017-18
iv	**Change in defined benefit obligation**		
	Present value of defined benefit obligation at beginning of the year	448.13	363.02
	Current service cost	26.92	45.76
	Past service Cost including curtailment Gains/Losses	-	15.28
	Interest cost	33.92	26.04
	Actuarial (gains)/losses on obligations	16.61	46.51
	Benefits paid	(170.12)	(48.48)
	Present value of DBO at the end of the year	**355.46**	**448.13**
v	**Other comprehensive income (OCI)**		
	Remeasurement of defined benefit obligation	**(16.61)**	**(46.51)**
vi	**Balance sheet reconciliation**		
	Net liability at the beginning of the year	448.13	363.02
	Expenses recognised/(reversed) during the year	60.84	87.08
	Actuarial (gains)/losses	16.61	46.51
	Benefits paid	(170.12)	(48.48)
	Amount recognised in the balance sheet	**355.46**	**448.13**

vii Experience adjustments:

(₹ in lakhs)

	Particulars	31.03.2019	31.03.2018	31.03.2017	31.03.2016	31.03.2015
i.	Present value of Defined Benefit Obligation	355.46	448.13	363.02	346.03	347.14
ii.	Fair Value of plan assets	-	-	-	-	-
iii.	Funded status [Surplus/ (Deficit)]	355.46	448.13	363.02	346.03	347.14
iv.	Experience (gain)/loss adjustments on plan liabilities	16.61	46.51	30.96	(0.14)	(79.98)
v.	Experience gain/loss adjustments on plan assets	-	-	-	-	-

viii	Actuarial assumptions		31.03.2019	31.03.2018	
	a.	**Financial assumptions**			
	i.	Discount rate (p.a.)	7.66%	7.80%	
	ii.	Salary escalation rate (p.a.)	5.00%	5.00%	
	b.	**Demographic assumptions**			
	i.	Retirement age	70 years	70 years	
	ii	Mortality rate	Indian Assured Lives Mortality (2006-08) ultimate table		
		- Withdrawal rate			
		Upto 30 years	3.00	3.00	
		From 31 to 44 years	2.00	2.00	
		Above 44 years	1.00	1.00	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

ix Sensivity analysis

The sensitivity of the plan obligations to changes in key assumptions are:

(₹ in lakhs)

		Change in assumption	Change in plan obligation
Discount rate	Increase	0.50 %	(21.73)
	Decrease	0.50 %	23.97
Salary escalation rate	Increase	0.50 %	20.86
	Decrease	0.50 %	(19.96)

c. Actuarial assumptions for long-term compensated absences

		31.03.2019	31.03.2018
a.	**Financial assumptions**	**31.03.2019**	**31.03.2018**
i.	Discount rate (p.a.)	7.66%	7.80%
ii.	Salary escalation rate (p.a.)	5.00%	5.00%
b.	**Demographic assumptions**		
i.	Retirement age	70 years	70 years
ii	Mortality rate	Indian Assured Lives Mortality (2006-08) ultimate table	
	- Withdrawal rate		
	Upto 30 years	3.00	3.00
	From 31 to 44 years	2.00	2.00
	Above 44 years	1.00	1.00

58 Earnings per Equity Share

		Year ended 31-March-19	Year ended 31-March-18
Profit for the year	₹ in lakhs	(36,333.07)	(31,706.51)
Weighted average number of equity shares	No's	43,51,81,170	43,51,81,170
Earning per share - basic	₹	(8.36)	(7.29)
Weighted average number of potential equity shares	No's	-	-
Weighted average number of equity shares	No's	43,51,81,170	43,51,81,170
Earnings per share - diluted	₹	(8.36)	(7.29)
Face value per equity share	₹	5.00	5.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

59 Operating lease arrangements - As lessee

The Group has entered into Concession Agreements with Delhi Metro Rail Corporation (DMRC) and has acquired the License Rights to develop properties and sub license it to the customers for a defined period of time. License fees recognised during the year are as follows:

(₹ in lakhs)

	Year ended 31-March-19	Year ended 31-March-18
Licence fee		
a. Charged to statement of profit and loss	1,193.88	1,252.17
b. Capitalised in Intangible assets	2,135.05	2,044.51
	3,328.93	**3,296.68**
Other lease charges		
a. Charged to statement of profit and loss	**290.98**	**362.03**

Note: Upfront fee paid by the Group has amortised over licence period and included in licence fee

The total of future minimum lease payments are as follows:

(₹ in lakhs)

	As at 31-March-19	As at 31-March-18
a. Not later than one year	3,689.06	3,232.55
b. Later than one year but not later than five years	17,084.82	15,136.10
c. Later than five years	1,22,670.63	1,22,796.21
	1,43,444.51	**1,41,164.86**

60 Operating lease arrangements - As lessor

The Group 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:

(₹ in lakhs)

	Year ended 31-March-19	Year ended 31-March-18
Licence fee income		
a. Recognised in statement of profit and loss	10,385.77	8,903.99
	10,385.77	**8,903.99**

The total of future minimum lease receivables are as follows:

(₹ in lakhs)

	As at 31-March-19	As at 31-March-18
a. Not later than one year	4,809.35	7,390.87
b. Later than one year but not later than five years	10,012.26	8,241.74
c. Later than five years	1,390.85	1,597.65
	16,212.46	**17,230.26**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

61 Jointly controlled entity

a. The Group has interests in following joint venture - jointly controlled entity

Name of jointly controlled entity	Nature of project	Ownership interest	Country of residence
Ratan Parsvnath Developers AOP	Real estate	50%	India

b. Financial interest of the Group in jointly controlled entity is as under

(₹ in lakhs)

	As at 31-March-19	As at 31-March-18
Company's share of:		
a. Assets	472.61	470.84
b. Liabilities	0.56	0.56
c. Income	-	-
d. Expenditure	0.24	0.23
e. Tax	-	-

Note: The Group's share of assets, liabilities, income and expenditure has been included on the basis of audited financial information of its joint venture.

62 : Related party transactions

a. List of related parties

i. Entities over which the Company, subsidiary companies or key management personnel or their relatives, exercise significant influence

- Adela Buildcon Private Limited
- Amazon India Limited *
- Ashirwad Realtors Private Limited
- Baasima Buildcon Private Limited
- Baidehi Infrastructure Private Limited
- Balbina Real Estates Private Limited
- Charushila Buildwell Private Limited
- Congenial Real Estates Private Limited
- Cyanea Real Estate Private Limited
- Deborah Real Estate Private Limited
- Deleena Developers Private Limited
- Enormity Buildcon Private Limited
- Farhad Realtors Private Limited $
- Gauranga Realtors Private Limited
- Gauresh Buildwell Private Limited
- Homelife Real Estate Private Limited *
- Janak Finance & Leasing Private Limited
- Jarul Promoters & Developers Private Limited#
- Jodhpur Infrastructure Private Limited
- K.B. Realtors Private Limited (upto 06 March, 2019)
- Laban Real Estates Private Limited (upto 06 March, 2019)
- Landmark Malls and Towers Private Limited (upto 06 March, 2019)
- Landmark Township Planners Private Limited (upto 06 March, 2019)
- Madhukanta Real Estate Private Limited
- Magic Promoters Private Limited
- Mahanidhi Buildcon Private Limited
- Neha Infracon (India) Private Limited
- Nilanchal Realtors Private Limited (upto 06 March, 2019)
- Noida Marketing Private Limited
- P.S. Realtors Private Limited (upto 06 March, 2019)
- Parasnath And Associates Private Limited
- Parasnath Travels & Tours Private Limited
- Parsvnath Biotech Private Limited
- Parsvnath Cyber City Private Limited
- Parsvnath Dehradun Info Park Private Limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

- Parsvnath Developers (GMBT) Private Limited
- Parsvnath Developers (SBBT) Private Limited
- Parsvnath Gurgaon Info Park Private Limited
- Parsvnath Indore Info Park Private Limited
- Parsvnath Knowledge Park Private Limited
- Parsvnath Retail Limited
- Pearl Propmart Private Limited
- Pradeep Kumar Jain & Sons (HUF)
- Rangoli Buildcon Private Limited
- Sadgati Buildcon Private Limited
- Scorpio Realtors Private Limited
- Snigdha Buildwell Private Limited
- Suksma Buildtech Private Limited#
- Timebound Contracts Private Limited
- Vardaan Buildtech Private Limited*

* Associates of the Company

\# Became subsidiary w.e.f. 16 March, 2019.

$ Became subsidiary w.e.f. 29 July, 2017.

ii. Joint Ventures

- Ratan Parsvnath Developers (AOP)

iii. Entities which can exercise significant influence over subsidiaries/joint venture

- Anuradha SA Investments LLC, Mauritius (ASA) (upto 21 June, 2018)
- Anuradha Ventures Limited, Cyprus (AVL) (upto 21 June, 2018)
- Green Destination Holding Limited (GDHL)
- Crimsonstar Ventures Limited, Cyprus

iv. Key Management Personnel

- Mr. Pradeep Kumar Jain, Chairman
- Mr. Sanjeev Kumar Jain, Managing Director and CEO
- Dr. Rajeev Jain, Whole-time Director

v. Relatives of Key Management Personnel (with whom the Company had transactions)

- Mrs. Nutan Jain (Wife of Mr. Pradeep Kumar Jain, Chairman)

vi. Non-Executive and Independent Directors

- Mr. Ashok Kumar
- Dr. Pritam Singh
- Ms. Deepa Gupta
- Mr. Mahendra Nath Verma

(₹ in lakhs)

Transaction / Outstanding Balances	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Entities exercise significant influence	Total
b. Transactions / balances outstanding with related parties:					
(i) Transactions during the year					
Purchase of Investments / Shares					
Parasnath And Associates Private Limited	5.50	-	-	-	**5.50**
	0.50	-	-	-	***0.50***
	5.50	**-**	**-**	**-**	**5.50**
	0.50	**-**	**-**	**-**	***0.50***
Interest expenses on debentures					
Anuradha Venture Limited, Cyprus	-	-	-	-	**-**
	-	-	-	*1,356.41*	***1,356.41***
	-	**-**	**-**	**-**	**-**
	-	**-**	**-**	***1,356.41***	***1,356.41***
Rent paid (Expense)					
Pradeep Kumar Jain	-	-	6.91	-	**6.91**
	-	-	*6.91*	-	***6.91***
Nutan Jain	-	-	51.13	-	**51.13**
	-	-	*46.90*	-	***46.90***

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in lakhs)

Transaction / Outstanding Balances	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Entities exercise significant influence	Total
Pradeep Kumar Jain & Sons (HUF)	7.78	-	-	-	**7.78**
	7.91	-	-	-	***7.91***
	7.78	**-**	**58.04**	**-**	**65.82**
	7.91	**-**	***53.81***	**-**	***61.72***
Advance received back during the year					
Scorpio Realtors Private Limited	-	-	-	-	**-**
	0.73	-	-	-	***0.73***
Baidehi Infrastructure Private Limited	-	-	-	-	**-**
	0.35	-	-	-	***0.35***
	-	**-**	**-**	**-**	**-**
	1.08	**-**	**-**	**-**	***1.08***
Share of profit / (loss) from associates					
Amazon India Limited	(0.26)	-	-	-	**(0.26)**
	(0.08)	-	-	-	***(0.08)***
Home Life Real Estate Private Limited	2.09	-	-	-	**2.09**
	2.25	-	-	-	***2.25***
Vardaan Buildtech Private Limited	0.03	-	-	-	**0.03**
	(0.24)	-	-	-	***(0.24)***
	1.86	**-**	**-**	**-**	**1.86**
	1.93	**-**	**-**	**-**	***1.93***
Sitting fees paid to directors					
Mr. AshoK Kumar	-	-	5.40	-	**5.40**
	-	-	*6.00*	-	***6.00***
Dr. Pritam Singh	-	-	3.50	-	**3.50**
	-	-	*6.00*	-	***6.00***
Ms. Deepa Gupta	-	-	5.60	-	**5.60**
	-	-	*5.70*	-	***5.70***
Mr. Mahendra Nath Verma	-	-	4.50	-	**4.50**
	-	-	*6.00*	-	***6.00***
	-	**-**	**19.00**	**-**	**19.00**
	-	**-**	***23.70***	**-**	***23.70***
Corporate guarantee given for					
Vardaan Buildtech Private Limited	3,200.00	-	-	-	**3,200.00**
	-	-	-	-	**-**
	3,200.00	**-**	**-**	**-**	**3,200.00**
	-	**-**	**-**	**-**	**-**
(ii) Balances at the year end					
Security deposit (assets)					
Nutan Jain	-	-	11.36	-	**11.36**
	-	-	*11.36*	-	***11.36***
	-	**-**	**11.36**	**-**	**11.36**
	-	**-**	***11.36***	**-**	***11.36***
Trade / Other payables					
Pradeep Kumar Jain (HUF)	1.17	-	-	-	**1.17**
	1.17	-	-	-	***1.17***

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in lakhs)

Transaction / Outstanding Balances	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Entities exercise significant influence	Total
Nutan Jain	-	-	-	-	**-**
	-	-	*7.80*	-	***7.80***
Pradeep Kumar Jain	-	-	1.56	-	**1.56**
	-	-	*1.72*	-	***1.72***
Timebound Contracts Private Limited	-	-	-	-	**-**
	2.25	-	-	-	***2.25***
Jodhpur Infrastructure Private Limited	-	-	-	-	**-**
	12.17	-	-	-	***12.17***
	1.17	**-**	**1.56**	**-**	**2.73**
	15.59	**-**	***9.52***	**-**	***25.11***
Other Advances received					
Jodhpur Infrastructure Private Limited	12.17	-	-	-	**12.17**
	-	-	-	-	**-**
Timebound Contracts Private Limited	0.90	-	-	-	**0.90**
	-	-	-	-	**-**
	13.07	**-**	**-**	**-**	**13.07**
	-	**-**	**-**	**-**	**-**
Interest accrued but not due on debentures					
Anuradha Venture Limited, Cyprus	-	-	-	-	**-**
	-	-	-	*2,441.53*	***2,441.53***
Crimsonstar Ventures Limited	-	-	-	7.15	**7.15**
	-	-	-	*7.15*	***7.15***
	-	**-**	**-**	**7.15**	**7.15**
	-	**-**	**-**	***2,448.68***	***2,448.68***
Investments held (Equity Shares)					
Amazon India Limited	251.09	-	-	-	**251.09**
	253.28	-	-	-	***253.28***
Home Life Real Estate Private Limited	110.47	-	-	-	**110.47**
	108.38	-	-	-	***108.38***
Vardaan Buildtech Private Limited	6.17	-	-	-	**6.17**
	6.14	-	-	-	***6.14***
Adela Buildcon Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***
Ashirwad Realtors Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***
Baasima Buildcon Private Limited	1.00	-	-	-	**1.00**
	1.00	-	-	-	***1.00***
Baidehi Infrastructure Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***
Balbina Real Estates Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***
Charushila Buildwell Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in lakhs)

Transaction / Outstanding Balances	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Entities exercise significant influence	Total
Congenial Real Estates Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***
Cyanea Real Estate Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***
Deborah Real Estate Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***
Deleena Developers Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***
Enormity Buildcon Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***
Gauranga Realtors Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***
Gauresh Buildwell Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***
Jarul Promoters & Developers Private Limited	-	-	-	-	**-**
	5.00	-	-	-	***5.00***
Jodhpur Infrastructure Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***
K.B. Realtors Private Limited	-	-	-	-	**-**
	0.50	-	-	-	***0.50***
Laban Real Estates Private Limited	-	-	-	-	**-**
	0.50	-	-	-	***0.50***
Landmark Malls and Towers Private Limited	-	-	-	-	**-**
	0.50	-	-	-	***0.50***
Landmark Township Planners Private Limited	-	-	-	-	**-**
	0.50	-	-	-	***0.50***
Madhukanta Real Estate Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***
Magic Promoters Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***
Mahanidhi Buildcon Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***
Nilanchal Realtors Private Limited	-	-	-	-	**-**
	0.50	-	-	-	***0.50***
P.S. Realtors Private Limited	-	-	-	-	**-**
	0.50	-	-	-	***0.50***
Parsvnath Biotech Private Limited	2.50	-	-	-	**2.50**
	2.50	-	-	-	***2.50***
Parsvnath Cyber City Private Limited	1.00	-	-	-	**1.00**
	1.00	-	-	-	***1.00***
Parsvnath Dehradun Info Park Private Limited	2.50	-	-	-	**2.50**
	2.50	-	-	-	***2.50***
Parsvnath Developers (GMBT) Private Limited	2.50	-	-	-	**2.50**
	2.50	-	-	-	***2.50***

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

(₹ in lakhs)

Transaction / Outstanding Balances	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Entities exercise significant influence	Total
Parsvnath Developers (SBBT) Private Limited	2.00	-	-	-	**2.00**
	2.00	-	-	-	***2.00***
Parsvnath Gurgaon Info Park Private Limited	2.50	-	-	-	**2.50**
	2.50	-	-	-	***2.50***
Parsvnath Indore Info Park Private Limited	2.50	-	-	-	**2.50**
	2.50	-	-	-	***2.50***
Parsvnath Knowledge Park Private Limited	1.00	-	-	-	**1.00**
	1.00	-	-	-	***1.00***
Parsvnath Retail Limited	4.00	-	-	-	**4.00**
	4.00	-	-	-	***4.00***
Pearl Propmart Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***
Rangoli Buildcon Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***
Sadgati Buildcon Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***
Scorpio Realtors Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***
Snigdha Buildwell Private Limited	0.50	-	-	-	**0.50**
	0.50	-	-	-	***0.50***
Suksma Buildtech Private Limited	-	-	-	-	**-**
	0.50	-	-	-	***0.50***
Timebound Contracts Private Limited	5.00	-	-	-	**5.00**
	5.00	-	-	-	***5.00***
	404.73	**-**	**-**	**-**	**404.73**
	413.30	**-**	**-**	**-**	***413.30***
Corporate guarantee given for loans					
Vardaan Buildtech Private Limited	3,200.00	-	-	-	**3,200.00**
	-	-	-	-	**-**
	3,200.00	**-**	**-**	**-**	**3,200.00**
	-	**-**	**-**	**-**	**-**
Guarantee for loans					
Chairman and whole-time directors	-	-	205,241.82	-	**205,241.82**
	-	-	*238,472.47*	-	***238,472.47***
	-	**-**	**205,241.82**	**-**	**205,241.82**
	-	**-**	***238,472.47***	**-**	***238,472.47***
Borrowings					
Anuradha Venture Limited, Cyprus	-	-	-	-	**-**
	-	-	-	*8,751.00*	***8,751.00***
Crimsonstar Ventures Limited	-	-	-	18,133.39	**18,133.39**
	-	-	-	*18,133.39*	***18,133.39***
	-	**-**	**-**	**18,133.39**	**18,133.39**
	-	**-**	**-**	***26,884.39***	***26,884.39***

Note:

- Figures in italics represents figures as at and for the year ended 31 March, 2018.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

Terms and conditions of transactions with related parties

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, 2019, the Group has not recorded any impairment of recivables from related parties (31 March, 2018 - 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.

63 Financial Instruments

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

(₹ in lakhs)

		As at 31-March-19				As at 31-March-18			
		Total	Amortised Cost	At cost	FVTPL	Total	Amortised Cost	At cost	FVTPL
Financial assets									
i.	Investments	30,308.01	28,855.03	404.73	1,048.25	1,461.55	-	413.30	1,048.25
ii.	Trade receivables	29,126.49	29,126.49	-	-	63,533.59	63,533.59	-	-
iii.	Cash and cash equivalents	3,445.71	3,445.71	-	-	843.85	843.85	-	-
iv.	Bank balances other than (iii) above	5,623.58	5,623.58	-	-	5,624.63	5,624.63	-	-
v.	Loans	1,923.06	1,923.06	-	-	2,082.07	2,082.07	-	-
vi.	Other financial assets	1,58,756.21	1,58,756.21	-	-	1,59,296.78	1,59,296.78	-	-
	Total financial assets	**2,29,183.06**	**2,27,730.08**	**404.73**	**1,048.25**	**2,32,842.47**	**2,31,380.92**	**413.30**	**1,048.25**
Financial liabilities									
i.	Borrowings	3,57,314.66	3,57,314.66	-	-	3,65,496.92	3,65,496.92	-	-
ii.	Trade Payables	79,448.65	79,448.65	-	-	76,416.63	76,416.63	-	-
iii.	Other financial liabilities	1,09,398.88	1,09,398.88	-	-	1,12,842.57	1,12,842.57	-	-
	Total financial liabilities	**5,46,162.19**	**5,46,162.19**	**-**	**-**	**5,54,756.12**	**5,54,756.12**	**-**	**-**

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

Fair value hierarchy

The fair value of financial instruments have been classified into three categories depending on the inputs used in the valuation technique

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs

Level 3: Inputs which are not based on observable market date

(₹ in lakhs)

	As at 31-March-19		As at 31-March-18	
	Carrying amount	Category	Carrying amount	Category
Investment carried at fair value through profit and loss	1,048.25	Level 3	1,048.25	Level 3

64 Financial Risk Management

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

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

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

(₹ in lakhs)

	Carrying amount	Payable within 1 year	Payable in 1-3 years	Payable in 3-5 years	Payable more than 5 years
As at 31 March, 2019					
Borrowings	4,21,530.01	1,08,532.90	1,17,660.43	32,993.84	1,62,342.84
Trade payables	79,448.65	73,555.48	5,673.17	220.00	-
Other financial liabilities	45,183.53	37,932.95	2,574.81	3,420.68	1,255.09
	5,46,162.19	**2,20,021.33**	**1,25,908.41**	**36,634.52**	**1,63,597.93**
As at 31 March, 2018					
Borrowings	4,39,999.52	1,09,270.35	1,31,033.23	1,99,623.37	72.57
Trade payables	76,416.63	73,262.54	2,934.09	220.00	-
Other financial liabilities	38,339.97	31,793.64	2,836.10	2,494.59	1,215.64
	5,54,756.12	**2,14,326.53**	**1,36,803.42**	**2,02,337.96**	**1,288.21**

Note: Current maturities of long term debt have been excluded from Other financial liabilities and included under Borrowings.

Financing facilities

Secured bank overdraft facility :

(₹ in lakhs)

	As at 31-March-19	As at 31-March-18
-amount used	7,027.72	8,115.84
-amount unused	-	-

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

Interest rate sensitivity analysis

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

(₹ in lakhs)

	As at 31-March-19	As at 31-March-18
Variable rate borrowings		
Long Term	1,47,092.97	1,77,390.99
Short Term	38,356.61	36,735.09
Total Variable rate Borrowing	**1,85,449.58**	**2,14,126.08**
Fixed Rate Borrowings		
Long Term	2,26,785.43	2,16,342.37
Short Term	9,295.00	9,531.07
Total Fixed rate Borrowing	**2,36,080.43**	**2,25,873.44**
Total Borrowing	**4,21,530.01**	**4,39,999.52**

Sensitivity

Variable Interest rate loans are exposed to interest rate risk, the impact on profit or loss before tax maybe as follows:

(₹ in lakhs)

	Year ended 31- March-19	Year ended 31- March-18
Actual interest cost	62,533.30	51,836.61
if ROI is increased by 1% on oustanding loans	2,076.20	2,322.93
Total interest cost	64,609.50	54,159.54
if ROI is decreased by 1% on oustanding loans	2,076.20	2,322.93
Total interest cost	**60,457.10**	**49,513.68**

B. Price risk

The group 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 group is exposed to credit risk for receivables from its real estate customers and refundable security deposits.

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

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

(₹ in lakhs)

	As at 31-March-19	As at 31-March-18
Outstanding for more than 6 months	19,166.89	48,854.27
Outstanding for 6 months or less	1,941.03	2,817.02
Not due for payment	8,018.57	11,862.30
	29,126.49	**63,533.59**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

65 Capital Management

For the purpose of capital management, capital includes equity capital, share premium and retained earnings. The group maintains balance between debt and equity. The group 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:

(₹ in lakhs)

	As at 31-March-19	As at 31-March-18
Borrowings:		
- Long term	3,09,663.05	3,19,230.76
- Short term	47,651.61	46,266.16
- Current maturities of long term borrowings	64,215.35	74,502.60
Total borrowings - A	**4,21,530.01**	**4,39,999.52**
Equity		
- Share capital	21,759.06	21,759.06
- Other equity	72,486.20	1,94,736.85
Total Equity - B	**94,245.26**	**2,16,495.91**
Debt to equity ratio (A/B)	4.47	2.03

66. Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries/ Joint Venture / Associates

Name of the entity	Net Assets, i.e total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated profit or (loss)	Amount (₹ in lakhs)
Parent				
Parsvnath Developers Limited	166.26	156,696.66	(66.85)	(24,306.65)
Subsidiaries				
Indian				
Parsvnath Landmark Developers Private Limited	(9.49)	(8,942.34)	(4.72)	(1,714.88)
Parsvnath Infra Limited	6.29	5,923.76	(0.19)	(70.06)
Parsvnath Hotels Limited	0.64	603.70	(0.09)	(33.68)
Parsvnath Hessa Developers Private Limited	6.31	5,945.47	(0.13)	(47.43)
Parsvnath Estate Developers Private Limited	(29.02)	(27,354.41)	(21.29)	(7,742.25)
Parsvnath Promoters and Developers Private Limited	2.98	2,805.51	(0.22)	(79.57)
Parsvnath Buildwell Private Limited	18.50	17,437.17	(0.56)	(203.75)
Parsvnath Rail Land Project Private Limited	0.55	514.55	(3.65)	(1,328.33)
Parsvnath HB Projects Private Limited	(1.03)	(966.30)	(0.04)	(14.24)
Parsvnath Film City Limited	(0.03)	(27.02)	(0.00)	(0.64)
Parsvnath Telecom Private Limited	(0.00)	(0.23)	(0.00)	(0.13)
Parsvnath Realcon Private Limited	(0.38)	(356.51)	(0.11)	(39.48)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

Name of the entity	Net Assets, i.e total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated profit or (loss)	Amount (₹ in lakhs)
Parsvnath MIDC Pharma SEZ Private Limited	0.22	205.87	(0.00)	(0.21)
PDL Assets Limited	(0.01)	(6.97)	(0.02)	(6.36)
Primetime Realtors Private Limited	(0.00)	(2.47)	(0.00)	(1.46)
Parsvnath Realty Ventures Limited	(0.02)	(14.82)	(0.05)	(17.57)
Vasavi PDL Ventures Private Limited	0.00	1.82	(0.00)	(1.15)
Farhad Realtors Private Limited	(0.00)	(0.14)	(0.00)	(0.24)
Jarul Promoters & Developers Private Limited	0.00	0.32	(0.02)	(6.45)
Suksma Buildtech Private Limited	0.01	6.58	(0.00)	(0.53)
Foreign				
Parsvnath Developers Pte. Ltd.	0.68	636.32	(0.12)	(44.91)
Subsidiaries by virtue of Accounting Standard (Ind AS - 110) on Consolidated financial statements				
Indian				
Aahna Realtors Priavte Limited	0.00	2.44	(0.00)	(0.19)
Afra Infrastructure Private Limited	0.01	4.73	(0.00)	(0.18)
Anubhav Buildwell Private Limited	0.01	8.37	(0.00)	(0.26)
Arctic Buildwell Private Limited	0.00	3.03	(0.00)	(0.48)
Arunachal Infrastructure Private Limited	0.00	0.93	(0.00)	(0.20)
Bae Buildwell Pvt Ltd	0.00	0.99	(0.00)	(0.13)
Bakul Infrastructure Private Limited	0.00	1.99	(0.00)	(0.19)
Banita Buildcon Private Limited	0.00	3.07	(0.00)	(0.17)
Bliss Infrastructure Private Limited	0.00	2.09	(0.00)	(0.27)
Brinly Properties Private Limited	0.00	1.30	(0.00)	(0.19)
Coral Buildwell Private Limited	0.00	0.87	(0.00)	(0.19)
Dae Realtors Private Limited	0.00	1.05	(0.00)	(0.16)
Dai Real Estates Private Limited	0.01	6.19	0.01	3.22
Dhiren Real Estates Private Limited	0.00	1.49	(0.00)	(0.17)
Elixir Infrastructure Private Limited	0.00	2.98	(0.00)	(0.26)
Emerald Buildwell Private Limited	0.01	11.91	(0.00)	(0.20)
Evergreen Realtors Private Limited	0.00	1.47	(0.00)	(0.10)
Gem Buildwell Private Limited	0.00	1.59	(0.00)	(0.36)
Generous Buildwell Private Limited	0.00	0.92	(0.00)	(0.18)
Himsagar Infrastructure Private Limited	0.00	1.01	(0.00)	(0.17)
Izna Realcon Private Limited	0.00	0.81	(0.00)	(0.17)
Jaguar Buildwell Private Limited	0.00	1.24	(0.00)	(0.17)
Label Real Estates Private Limited	0.00	1.92	(0.00)	(0.27)
Lakshya Realtors Private Limited	0.01	7.23	0.01	2.58

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

Name of the entity	Net Assets, i.e total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated profit or (loss)	Amount (₹ in lakhs)
LSD Realcon Private Limited	0.00	1.32	(0.00)	(0.17)
Mirage Buildwell Private Limited	0.00	2.90	(0.00)	(0.17)
Navneet Realtors Private Limited	0.01	5.26	(0.00)	(0.19)
Neelgagan Realtors Private Limited	0.01	7.27	0.00	0.17
New Hind Enterprises Private Limited	0.46	428.83	(0.02)	(8.87)
Oni Projects Private Limited	0.00	0.74	(0.00)	(0.18)
Paavan Buildcon Private Limited	0.00	0.98	(0.00)	(0.17)
Perpetual Infrastructure Private Limited	0.01	5.47	(0.00)	(0.20)
Prosperity Infrastructures Private Limited	0.00	3.47	(0.00)	(0.20)
Rangoli Infrastructure Private Limited	0.00	2.84	(0.00)	(0.30)
Samiksha Realtors Private Limited	0.00	0.96	(0.00)	(0.18)
Sapphire Buildtech Private Limited	0.21	200.46	(0.00)	(0.39)
Silverstreet Infrastructure PrivateLimited	0.01	4.98	(0.00)	(0.18)
Spearhead Realtors Private Limited	0.00	3.33	(0.00)	(0.18)
Springdale Realtors Private Limited	0.00	4.36	(0.00)	(0.27)
Stupendous Buildtech Private Limited	0.00	0.14	(0.00)	(0.84)
Sumeru Developers Private Limited	0.00	3.51	(0.00)	(0.29)
Trishla Realtors Private Limited	0.00	3.24	(0.00)	(0.28)
Vital Buildwell Private Limited	0.00	2.26	(0.00)	(0.21)
Yamuna Buildwell Private Limited	0.01	7.90	(0.00)	(0.08)
Non-controlling interest in all subsidiaries	**8.18**	**7,706.70**	**(1.11)**	**(404.61)**
Joint Venture (as per proportionate consolidation)				
Indian				
Ratan Parsvnath Developers (AOP)	0.50	472.05	(0.00)	(0.24)
Adjustments arising out of consolidation	(71.94)	(67,799.84)	(0.78)	(284.92)
Sub-total (a)	**100.00**	**94,245.26**		**(36,361.78)**
Associates (Investments as per equity method)				
Indian				
Amazon India Limited		251.09	(0.00)	(0.26)
Homelife Real Estate Private Limited		110.47	0.01	2.09
Vardaan Buildtech Private Limited		6.17	(0.00)	0.03
Sub-total (b)		**367.73**		**1.86**
Total (a+b)			**(100.00)**	**(36,359.92)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

67 Events after the reporting period

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

68 Approval of the financial statements

The financial statements were approved for issue by Board of Directors on 29 May, 2019.

For and on behalf of the Board of Directors

Sd/-	Sd/-
Pradeep Kumar Jain	**Sanjeev Kumar Jain**
Chairman	Managing Director & CEO
(DIN 00333486)	(DIN 00333881)
Sd/-	Sd/-
M.C. Jain	**V. Mohan**
Group Chief Financial Officer	Company Secretary

Place: Delhi
Date: 29 May, 2019

FORM AOC - I

(Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules ,2014)

Statement containing salient features of the financial statements of subsidiary companies as on March 31 , 2019

PART -"A" - Subsidiaries

₹ In lakhs

Sr. No.	Name of the Subsidiary Company	Date since when subsidiary was acquired	Reporting Period of the subsidiary	Reporting currency and exchange rate as on 31 Mar, 2019	Share Capital	Reserves & Surplus (adjusted for debit balance in Profit & Loss Account,wherever applicable)	Total Assets (Fixed Assets + Investments + Current assets)	Total Liabilities (Loans + Current Laibilites)	Investments (other than investment in subsidiaries)	Turnover (including Other Income)	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed Dividend	% of share holding
1	Parsvnath Infra Limited	19.09.2006	31.03.2019	INR	2,745.77	3,177.99	6,058.54	134.78	-	0.10	(70.06)	-	(70.06)	-	94.87%
2	Parsvnath Film City Limited	28.02.2007	31.03.2019	INR	175.00	(202.02)	4,826.16	4,853.18	-	-	(0.64)	-	(0.64)	-	100.00%
3	Parsvnath Landmark Developers Private Limited	08.03.2007	31.03.2019	INR	328.21	(9,270.55)	73,745.48	82,687.81	-	122.87	(2,316.66)	(601.78)	(1,714.88)	-	100.00%
4	Parsvnath Telecom Private Limited	16.10.2007	31.03.2019	INR	103.00	(103.23)	0.06	0.29	-	-	(0.13)	-	(0.13)	-	100.00%
5	Parsvnath Hotels Limited	02.11.2007	31.03.2019	INR	540.00	63.70	2,626.51	2,022.81	-	-	(33.68)	-	(33.68)	-	100.00%
6	Parsvnath Developers Pte. Limited	01.11.2007	31.03.2019	1 SGD= INR 51.13	356.77	279.55	1,292.18	655.86	-	0.03	(44.91)	-	(44.91)	-	53.32%
7	PDL Assets Limited	03.12.2007	31.03.2019	INR	6.00	(12.97)	3,500.34	3,507.31	-	-	(6.36)	-	(6.36)	-	100.00%
8	Primetime Realtors Private Limited	16.04.2008	31.03.2019	INR	1.00	(3.48)	0.40	2.88	-	-	(1.46)	-	(1.46)	-	100.00%
9	Parsvnath Estate Developers Private Limited	27.08.2010	31.03.2019	INR	500.00	(27,854.41)	67,378.80	94,733.21	-	8,923.04	(7,697.28)	44.97	(7,742.25)	-	100.00%
10	Parsvnath Promoters And Developers Private Limited	19.11.2010	31.03.2019	INR	33.20	2,772.31	36,169.29	33,363.78	-	-	(79.57)	-	(79.57)	-	51.00%
11	Parsvnath Rail Land Projects Private Limited	07.05.2018	31.03.2019	INR	42.40	472.15	134,623.86	134,109.31	-	267.24	(1,317.84)	10.49	(1,328.33)	-	85.10%
12	Parsvnath MIDC Pharma SEZ Private Limited (Refer note 1)	29.03.2011	31.03.2019	INR	499.00	(293.13)	206.11	0.24	-	-	(0.21)	-	(0.21)	-	-
13	Parsvnath HB Projects Private Limited	19.10.2012	31.03.2019	INR	4.90	(971.20)	14,762.21	15,728.51	-	-	(14.24)	-	(14.24)	-	51.00%
14	Parsvnath Hessa Developers Private Limited	02.07.2013	31.03.2019	INR	496.00	5,449.47	14,628.68	8,683.21	-	2.89	(47.43)	-	(47.43)	-	100.00%
15	Parsvnath Buildwell Private Limited	12.09.2013	31.03.2019	INR	9,953.69	7,483.48	35,972.42	18,535.25	-	96.66	(275.34)	(71.59)	(203.75)	-	99.83%
16	Parsvnath Realcon Private Limited (Refer note 2)	12.09.2013	31.03.2019	INR	1.00	(357.51)	9,879.18	10,235.69	-	-	(39.48)	-	(39.48)	-	-
17	Parsvnath Realty Ventures Limited	16.07.2016	31.03.2019	INR	5.00	(19.82)	11,002.56	11,017.38	-	-	(17.57)	-	(17.57)	-	100.00%
18	Vasavi PDL Ventures Private Limited	31.10.2016	31.03.2019	INR	5.00	(3.18)	6.07	4.25	-	-	(1.15)	-	(1.15)	-	51.00%
19	Farhad Realtors Private Limited	29.07.2017	31.03.2019	INR	1.00	(1.14)	0.06	0.20	-	-	(0.24)	-	(0.24)	-	100.00%

Sr. No.	Name of the Subsidiary Company	Date since when subsidiary was acquired	Reporting Period of the subsidiary	Reporting currency and exchange rate as on 31 Mar, 2019	Share Capital	Reserves & Surplus (adjusted for debit balance in Profit & Loss Account,wherever applicable)	Total Assets (Fixed Assets + Investments + Current assets)	Total Liabilities (Loans + Current Laibilites)	Investments (other than investment in subsidiaries)	Turnover (including Other Income)	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed Dividend	% of share holding
20	Jarul Promoters & Developers Private Limited	16.03.2019	31.03.2019	INR	10.00	(9.68)	3,506.33	3,506.01	-	-	(6.45)	-	(6.45)	-	100.00%
21	Suksma Buildtech Private Limited	16.03.2019	31.03.2019	INR	1.00	5.58	7.14	0.56	-	-	(0.53)		(0.53)	-	100.00%

Note:

1 Subsidiary in terms of Section 2(87)(ii) of the Companies Act, 2013, since 100% of the equity capital is held by Parsvnath Infra Limited, a subsidiary of Parsvnath Developers Limited.

2 Subsidiary in terms of Section 2(87)(ii) of the Companies Act, 2013, since 100% of the equity capital is held by Parsvnath Buildwell Private Limited, a subsidiary of Parsvnath Developers Limited.

3 **<u>Names of subsidiaries which are yet to commence operations</u>**

i. Parsvnath Film City Limited
ii. Parsvnath Telecom Private Limited
iii. Parsvnath Developers Pte. Limited
iv. PDL Assets Limited
v. Parsvnath Promoters And Developers Private Limited
vi. Parsvnath MIDC Pharma SEZ Private Limited
vii. Parsvnath Realty Ventures P Ltd
viii. Vasavi PDL Ventures Private Limited
ix. Farhad Realtors Private Limited
x. Jarul Promoters & Developers Private Limited
xi. Suksma Buidltech Private Limited
xii. Parsvnath Rail Land Projects Private Limited

4 **<u>Names of subsidiaries which have been liquidated during the year</u>**

NIL

For and on behalf of the Board of Directors

Sd/-
Pradeep Kumar Jain
Chairman
(DIN 00333486)

Sd/-
Sanjeev Kumar Jain
Managing Director & CEO
(DIN 00333881)

Sd/-
M.C.Jain
Group Chief Financial Officer

Sd/-
V. Mohan
Company Secretary

Date : 29 May, 2019
Place: Delhi

PARSVNATH DEVELOPERS LIMITED

FORM AOC - I

(Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules ,2014)

Statement containing salient features of the financial statements of associates/joint ventures as on March 31,2019

PART -"B" - Associates and Joint Ventures

(₹ In lakhs)

Sr. No.	Name of Associates / Joint Ventures	Latest Audited Balance Sheet Date	Date on which the Associate or Joint Venture was associated or acquired	Shares of Associate / Joint Venture held by the company on year end			Description of how there is significant influence	Reason why the associate / joint venture is not consolidated	Net worth attributable to shareholding as per latest audited Balance Sheet	Profit/ Loss for the period	
				Number	Amount of investment	Extent of holding %				Considered in consolidation	Not considered in consolidation
1	Amazon India Limited	31.03.2019	02.04.2004	25,000	212.50	48.31%	Holding more than 20 % of voting power	NA	43.03	(0.26)	-
2	Vardaan Buildtech Pvt Ltd	31.03.2019	19.03.2007	16,000	1.60	33.33%	Holding more than 20 % of voting power	NA	4.46	0.03	-
3	Homelife Real Estates Pvt Ltd	31.03.2019	12.01.2005	775,000	77.50	50.00%	Holding more than 20 % of voting power	NA	110.46	2.09	-
4	Ratan Parsvnath Developers (AOP)	31.03.2019	18.09.2006	-	817.92	50.00%	Joint venture agreement	NA	472.05	(0.24)	-

Note:

1 **Names of associates/ joint ventures which are yet to commence operations**

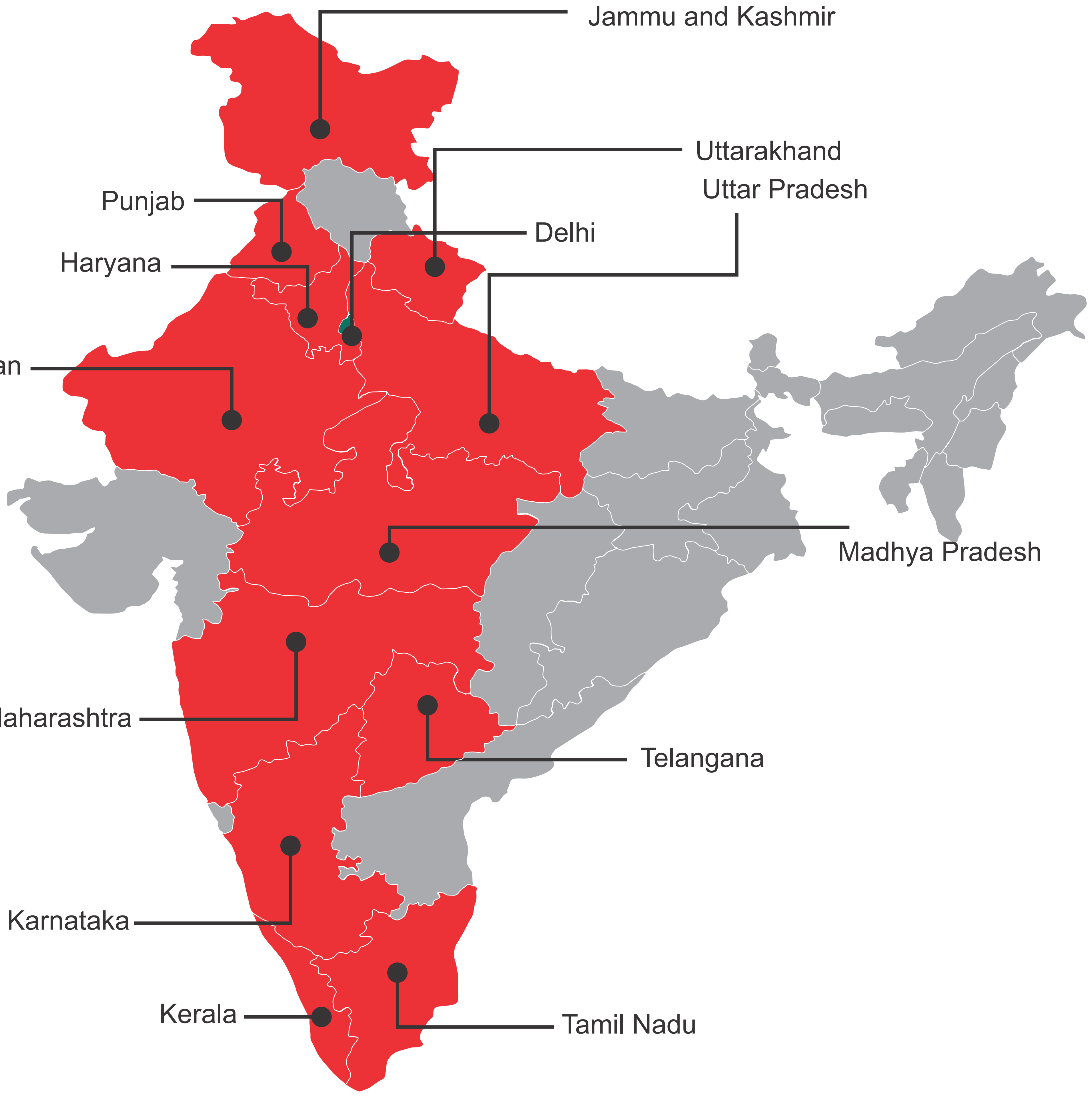
i. Ratan Parsvnath Developers (AOP)

2 **Names of associates/ joint ventures which have been liquidated during the year** : NIL

For and on behalf of the Board of Directors

	Sd/- **Pradeep Kumar Jain** Chairman (DIN 00333486)	Sd/- **Sanjeev Kumar Jain** Managing Director & CEO (DIN 00333881)
Date : 29 May, 2019 Place: Delhi	Sd/- **M.C.Jain** Group Chief Financial Officer	Sd/- **V. Mohan** Company Secretary

OUR PROJECT FOOTPRINTS



PAN INDIA PRESENCE

Delhi

Haryana
-Dharuhera (Rewari)
- Faridabad
- Gurgaon
- Rohtak
- Kurukshetra
- Sonepat
- Panchkula
- Karnal
- Panipat

Jammu & Kashmir
- Jammu

Karnataka
- Mysore

Kerala
- Kochi
-Palakkad

Madhya Pradesh
- Indore
- Ujjain

Maharashtra
- Pune
- Shirdi

Punjab
- Derabassi
- Mohali
- Rajpura

Rajasthan
- Bhiwadi
- Jodhpur
- Jaipur

Tamil Nadu
- Chennai

Telangana
- Hyderabad

Uttarakhand
- Dehradun

Uttar Pradesh
- Agra
- Noida
- Greater Noida
- Ghaziabad
- Lucknow
- Mohan Nagar
- Moradabad
- Saharanpur
- Sahibabad
- Khekhra

Parsvnaths

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