

Parsvnath Estate Developers Private Limited
Balance Sheet as at 31 March, 2022

	Notes	As at 31-March-22	As at 31-March-21
Assets		Rs in lakhs	Rs in lakhs
1. Non-current assets			
a. Right of use asset	3	9,978.34	9,526.74
b. Other intangible assets	3	36,534.59	24,125.26
c. Intangible assets under development	3	-	14,865.56
d. Financial assets			
i. Other financial assets	4	861.11	860.86
e. Current Tax assets (net)	8	1,604.18	1,291.77
f. Deferred tax assets (net)	17	-	-
g. Other non-current assets	9	4,315.70	4,589.60
Total non-current assets		<u>53,293.92</u>	<u>55,259.79</u>
2. Current assets			
a. Inventories	5	7,300.83	7,300.83
b. Financial assets			
i. Trade receivables	6	194.01	880.56
ii. Cash and cash equivalents	7	1,213.07	2,817.81
iii. Other financial assets	4	1,058.12	278.61
c. Other current assets	9	39,194.74	38,468.17
Total current assets		<u>48,960.77</u>	<u>49,745.98</u>
Total assets		<u>1,02,254.69</u>	<u>1,05,005.77</u>
Equity and Liabilities			
1. Equity			
a. Equity share capital	10	500.00	500.00
b. Other equity	11	(64,562.68)	(49,766.37)
Total Equity		<u>(64,062.68)</u>	<u>(49,266.37)</u>
2. Liabilities			
Non-current liabilities			
a. Financial liabilities			
i. Borrowings	12	1,31,552.71	1,31,552.71
ii. Lease liability	14 (i)(c)	11,123.91	10,004.45
iii. Other financial liabilities	14 (i)	20,732.48	8,533.57
b. Other non-current liabilities	15	50.47	749.93
Total non-current liabilities		<u>1,63,459.57</u>	<u>1,50,840.66</u>
Current liabilities			
a. Financial liabilities			
i. Trade Payables	13		
a. Total outstanding dues of micro enterprises and small enterprises		-	-
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		370.44	300.68
ii. Lease liability	14 (ii)(e)	-	806.40
iii. Other financial liabilities	14 (ii)	2,470.36	2,311.97
b. Other current liabilities	15	6.12	2.29
c. Provisions	16	10.86	10.14
Total current liabilities		<u>2,857.78</u>	<u>3,431.48</u>
Total liabilities		<u>1,66,317.35</u>	<u>1,54,272.14</u>
Total equity and liabilities		<u>1,02,254.68</u>	<u>1,05,005.77</u>

See accompanying notes forming part of the financial statements

In terms of our report attached

For T R Chadha & Co. LLP

Chartered Accountants

Firm's Registration No. 006711N/N500028

S/d -

Aashish Gupta

Partner

Membership No. 097343

1-53

For and on behalf of the Board of Directors

S/d -

Arvind Kumar Mishra

Director

DIN:08250280

S/d -

Suryamani Pandey

Director

DIN:08250346

Place: Delhi

Date: 30 May 2022

Parsvnath Estate Developers Private Limited
Statement of Profit and Loss for the Year ended 31 March, 2022

	Notes	Year ended 31 March, 2022	Year ended 31 March, 2021
		Rs in lakhs	Rs in lakhs
I Revenue from operations	18	5,634.12	6,355.48
II Other income	19	67.07	55.60
III Total income (I + II)		5,701.19	6,411.08
IV Expenses			
(a) Employee benefits expense	21	47.73	50.70
(b) Finance costs	22	17,512.49	12,841.49
(c) Depreciation and amortisation expense	23	2,196.95	2,229.49
(d) Other expenses	24	740.33	1,137.90
Total expenses (IV)		20,497.50	16,259.58
V Profit/(loss) before tax (III-IV)		(14,796.31)	(9,848.50)
VI Tax expense/(benefit):			
(i) Current tax		-	-
(ii) Tax adjustment for earlier years		-	-
(iii) Deferred tax		-	781.00
		-	781.00
VII Profit/(loss) for the year (V - VI)		(14,796.31)	(10,629.50)
VIII Other comprehensive income		-	-
IX Total comprehensive income for the year (VII + VIII)		(14,796.31)	(10,629.50)
X Earnings per equity share (face value Rs. 10 per share)	32		
(1) Basic (in Rs)		(295.93)	(212.59)
(2) Diluted (in Rs)		(295.93)	(212.59)

See accompanying notes forming part of the financial statements

1-53

In terms of our report attached

For T R Chadha & Co. LLP

Chartered Accountants

Firm's Registration No. 006711N/N500028

For and on behalf of the Board of Directors

S/d -

Aashish Gupta

Partner

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S/d -

Arvind Kumar Mishra

Director

DIN:08250280

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Suryamani Pandey

Director

DIN:08250346

Place: Delhi

Date: 30 May 2022

PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED
Statement of Cash Flows for the year ended 31 March, 2022

Notes	Year ended 31 March, 2022 Rs in lakhs	Year ended 31 March, 2021 Rs in lakhs
Cash flows from operating activities		
Profit/(loss) for the year	(14,796.31)	(9,848.50)
Adjustments for :		
Finance costs recognised in profit or loss	17,512.49	12,841.49
Interest income recognised in profit or loss	(67.07)	(53.50)
Provision for employee benefit	0.72	(3.34)
Depreciation and amortisation expense	<u>2,196.95</u>	<u>2,229.49</u>
	4,846.78	5,165.64
Movements in working capital:		
(Increase)/decrease in trade and other receivables	686.55	(249.83)
(Increase)/decrease in other non current financial assets	(0.25)	(625.85)
(Increase)/decrease in other non current assets	240.36	3,794.61
(Increase)/decrease in other current financial assets	(770.39)	553.57
(Increase)/decrease in other current assets	(726.57)	(6,249.26)
Increase/(decrease) in trade payables	69.76	(874.76)
Increase/(decrease) in other non current financial liabilities	1,269.61	336.16
Increase/(decrease) in other non current liabilities	(699.46)	(661.81)
Increase/(decrease) in other current financial liabilities	138.68	(7.50)
Increase/(decrease) in other current liabilities	3.83	(6,476.62)
Increase/(decrease) in lease assets/liabilities (net)	<u>(1,257.97)</u>	<u>660.04</u>
Cash generated from operations	3,800.93	(4,635.61)
Income tax paid/refund (net)	<u>(312.41)</u>	<u>812.97</u>
Net cash (used in)/generated by operating activities	3,488.52	(3,822.64)
Cash flows from investing activities		
Interest received	57.95	35.26
Capital expenditure on Intangible assets (including development)	<u>312.53</u>	<u>(1,492.46)</u>
Net Cash (used in) /generated by investing activities	370.48	(1,457.20)
Cash flows from financing activities		
Proceeds from /(Repayment of) current borrowings	-	-
Proceeds from non current borrowings	-	14,343.47
Finance costs paid	<u>(5,463.73)</u>	<u>(6,394.59)</u>
Net Cash (used in)/generated by financing activities	(5,463.74)	7,948.87
Net increase in Cash and cash equivalents	(1,604.74)	2,669.03
Cash and cash equivalents at the beginning of the year	<u>2,817.81</u>	<u>148.78</u>
Cash and cash equivalents at the end of the year	1,213.07	2,817.81

See accompanying notes to the financial statements

1-53

In terms of our report attached

For T R Chadha & Co. LLP

Chartered Accountants

Firm's Registration No. 006711N/N500028

For and on behalf of the Board of Directors

S/d -

Aashish Gupta

Partner

Membership No. 097343

S/d -

Arvind Kumar Mishra

Director

DIN:08250280

S/d -

Suryamani Pandey

Director

DIN:08250346

Place: Delhi

Date: 30 May 2022

Parsvnath Estate Developers Private Limited
Statement of changes in equity for the year ended 31 March, 2022

A. Equity Share Capital

	Rs in lakhs
Balance as at 31 March, 2020	500.00
Changes in equity share capital during the year	-
Balance as at 31 March, 2021	500.00
Changes in equity share capital during the year	-
Balance as at 31 March, 2022	500.00

B. Other Equity (Refer Note-10)

	Reserves and Surplus	
	Retained earnings	Total
Balance as at 31 March, 2020	(39,136.88)	(39,136.88)
Profit/(loss) for the year	(10,629.50)	(10,629.50)
Other comprehensive income for the year	-	-
Balance as at 31 March, 2021	(49,766.38)	(49,766.38)
Profit/(loss) for the year	(14,796.31)	(14,796.31)
Other comprehensive income for the year	-	-
Balance as at 31 March, 2022	(64,562.69)	(67,660.29)

See accompanying notes forming part of the financial statements 1-53

In terms of our report attached

For T R Chadha & Co. LLP

Chartered Accountants

Firm's Registration No. 006711N/N500028

S/d -

Aashish Gupta

Partner

Membership No. 097343

Place: Delhi

Date: 30 May 2022

For and on behalf of the Board of Directors

S/d -

Arvind Kumar Mishra

Director

DIN:08250280

S/d -

Suryamani Pandey

Director

DIN:08250346

3. Other intangible assets

	As at 31-March-22	As at 31-March-21
	Rs in lakhs	Rs in lakhs
Net Carrying amounts of		
Assets on build-operate-transfer (BOT) basis:		
Building on leasehold land:		
- Given under operating lease	32,751.03	19,692.50
Plant and equipment	1,107.67	1,471.47
Plant and equipment	2,282.97	2,445.71
Furniture and fixture	375.96	500.42
Office equipment	-	0.30
Computers	16.96	14.86
	36,534.59	24,125.26

3. Intangible assets under development

3. Right of use assets:

	Rs in lakhs	Rs in lakhs
Right of use assets	9,978.34	5,950.05
Right of use assets under development	-	3,576.69
	9,978.34	9,526.74

	Building given under operating lease	Plant and equipment	Plant and equipment	Furniture and fixture	Office equipment	Computers	Total other intangibles	Right of use assets	Intangible assets under development
	Rs in lakhs	Rs in lakhs	Rs in lakhs	Rs in lakhs	Rs in lakhs	Rs in lakhs	Rs in lakhs	Rs in lakhs	Rs in lakhs
Balance as at 31 March, 2020	25,935.67	3,702.39	4,078.43	1,244.57	39.86	720.96	35,721.90	6,561.45	13,507.17
Additions	-	-	4.13	-	-	-	4.13	-	1,358.39
Balance as at 31 March, 2021	25,935.67	3,702.39	4,082.56	1,244.57	39.86	720.96	35,726.02	6,561.45	14,865.56
Additions	14,114.41	9.79	117.53	-	-	13.19	14,254.93	4,379.64	433.16
Disposal	-	-	-	-	-	-	-	-	15,298.72
Balance as at 31 March, 2022	40,050.09	3,716.14	4,202.14	1,244.57	39.86	734.15	49,986.96	10,941.09	0.00
Building under development									
Balance as at 31 March, 2020	5,202.31	1,858.12	1,363.46	619.73	38.89	594.06	9,676.58	306.10	-
Amortisation expense	1,040.86	372.80	273.39	124.46	0.64	112.05	1,924.19	305.30	-
Balance as at 31 March, 2021	6,243.17	2,230.92	1,636.85	744.19	39.53	706.11	11,600.77	611.40	-
Amortisation expense	1,055.89	373.59	280.27	124.46	0.31	11.08	1,845.60	351.35	-
Balance as at 31 March, 2022	7,299.06	2,604.51	1,917.12	868.64	39.84	717.19	13,446.37	962.75	-
Net Carrying amount									
Balance as at 31 March, 2020	20,733.36	1,844.27	2,714.97	624.87	0.94	126.91	26,045.32	6,255.35	13,507.17
Balance as at 31 March, 2021	19,692.50	1,471.47	2,445.71	500.42	0.30	14.86	24,125.25	5,950.05	14,865.56
Balance as at 31 March, 2022	32,751.03	1,107.67	2,282.97	375.96	(0.00)	16.96	36,534.58	9,978.34	-

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2022

Ageing of Intangible assets under development (IAUD)

Rs in lakhs

Amount in IAUD as on 31 March 2022					
Particulars	Less than 1 Year	1 – 2 Years	2 – 3 Years	More than 3 Yrs	Total
Project in Progress - Bhai Veer Singh (PhaseII)	-	-	-	-	-
Project temporarily suspended	-	-	-	-	-

Rs in lakhs

Amount in IAUD as on 31 March 2021					
Particulars	Less than 1 Year	1 – 2 Years	2 – 3 Years	More than 3 Yrs	Total
Project in Progress - Bhai Veer Singh (PhaseII)	1,358.39	13,507.17	-	-	14,865.56
Project temporarily suspended	-	-	-	-	-

Intangible Assets under development, following schedule is of completion

To be completed as on 31st March, 2022					
Particulars	Less than 1 Year	1 – 2 Years	2 – 3 Years	More than 3 Yrs	Total
Project in Progress - Bhai Veer Singh (PhaseII)	-	-	-	-	-
Project temporarily suspended	-	-	-	-	-

Rs in lakhs

To be completed as on 31st March, 2021					
Particulars	Less than 1 Year	1 – 2 Years	2 – 3 Years	More than 3 Yrs	Total
Project in Progress - Bhai Veer Singh (PhaseII)	2,300.00	-	-	-	2,300.00
Project temporarily suspended	-	-	-	-	-

Notes:

Intangible assets

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

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

BOT assets have been further bifurcated in:

- i Building on leasehold land
- ii Plant and equipment
- iii Furniture and fixture
- iv Office equipment
- v Computers

b. Intangible assets under development

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

c. Right of use assets

Right to use assets is lease liability measured at cost, which comprises initial amount of lease liability adjusted for lease payments made at or before the commencement date of 1 April, 2019 (see note 2.4)

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March,2022

	As at 31-March-22	As at 31-March-21
	Rs in lakhs	Rs in lakhs
4. Other financial assets		
(Unsecured, Considered goods unless stated otherwise)		
Non-Current		
a. Security deposits to others	34.06	33.81
b. Margin money to holding company *	827.05	827.05
	861.11	860.86
* Refer dues from related party Note-36		
Current		
a. Interest accrued on deposits	39.94	30.82
b. Other receivables	1,018.18	247.79
	1,058.12	278.61
5. Inventories		
(lower of cost and net realisable value)		
a. Work-in-progress	7,300.83	7,300.83
	7,300.83	7,300.83
Note:		
The Company has classified its inventory of work-in-progress as current.		
Details of inventory expected to be realised after more than 12 months from the reporting date is as under:		
Less than 12 months	-	-
More than 12 months	7,300.83	7,300.83
	7,300.83	7,300.83
6. Trade receivables		
Current		
a. Unsecured, considered good	194.01	880.56
	194.01	880.56
(Refer Note-37 for Trade receivables ageing schedule)		
Note:		
1. The average credit period is 30 days. For payments, beyond credit period, interest as per terms of agreement with buyers.		
2. Trade receivables reflect rent receivable which is secured against security deposits received from tenants. Therefore, expected credit loss was not considered in such cases.		
7. Cash and cash equivalents		
a. Balances with banks		
i. in current accounts	369.11	787.88
ii. in deposit accounts (for less than 3 months)	843.85	2,029.33
b. Cash on hand	0.11	0.60
	1,213.07	2,817.81
8. Current tax assets (net)		
a. Tax refund receivable	1,604.18	1,291.77
	1,604.18	1,291.77
9. Other assets		
(Unsecured, Considered goods unless stated otherwise)		
Non-Current		
a. Capital advances	45.93	79.47
b. Advances to vendors	6.21	5.95
c. Upfront fees (unamortised)	4,263.56	4,504.18
	4,315.70	4,589.60
Current		
a. Advance for purchase of land to related parties *	38,859.48	38,146.98
b. Prepaid expenses	44.65	50.67
c. Upfront fees (unamortised)	156.30	154.68
d. GST credit receivables	124.31	105.84
e. Others	10.00	10.00
	39,194.74	38,468.17
* Refer advance for purchase of land to related party Note-36		

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2022

10 .Equity Share Capital

	As at 31-March-22 Rs in lakhs	As at 31-March-21 Rs in lakhs
Equity share capital	500.00	500.00
	500.00	500.00

Authorised Share Capital
Class A

37,75,000 (as at 31 March,2022: 37,75,000)
Class A equity shares of Rs. 10 each

377.50

377.50

37,75,000 (as at 31 March,2021: 37,75,000)
Class A equity shares of Rs. 10 each

Class B

12,25,000 (as at 31 March,2022: 12,25,000)
Class B equity shares of Rs. 10 each

122.50

122.50

12,25,000 (as at 31 March,2021: 12,25,000)
Class B equity shares of Rs. 10 each

500.00

500.00

Issued, subscribed and fully paid up capital
Class A

37,75,000 (as at 31 March,2022: 37,75,000) fully
paid Class A equity shares of Rs. 10 each

377.50

377.50

37,75,000 (as at 31 March,2021: 37,75,000) fully
paid Class A equity shares of Rs. 10 each

Class B

12,25,000 (as at 31 March,2022: 12,25,000) fully
paid Class B equity shares of Rs. 10 each

122.50

122.50

12,25,000 (as at 31 March,2021: 12,25,000) fully
paid Class B equity shares of Rs. 10 each

500.00

500.00

10.1- Reconciliation of share capital

	Class A		Class B	
	Number of Shares in	Share Capital Rs./lacs	Number of Shares in	Share Capital Rs./lacs
Balance as at March 31, 2020	37,75,000	377.50	12,25,000	122.50
Movements during the year	-	-	-	-
Balance as at March 31, 2021	37,75,000	377.50	12,25,000	122.50
Movements during the year	-	-	-	-
Balance as at March 31, 2022	37,75,000	377.50	12,25,000	122.50

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

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

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

	As at 31-March-22	As at 31-March-21
	No of shares	No of shares
Parsvnath Developers Limited, the holding company		
Class A Share	37,75,000	37,75,000
Class B shares	12,25,000	12,25,000

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

	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
i. Class A				
Parsvnath Developers Limited	37,75,000	100.00%	37,75,000	100.00%
ii. Class B				
Parsvnath Developers Limited	12,25,000	100.00%	12,25,000	100.00%

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2022

10.5- Shareholding of promoters:
Shareholding As at 31 Mar '2022

Sr. No.	Class of equity Shares	Promoter's Name	Nos. of shares at the beginning of the year	Change during the year	Nos. of shares at the end of the year	% of total shares	% change during the year
1.	Class A Share	Parsvnath Developers Limited	37,74,999	-	37,74,999	75.499%	0.00%
2.	Class A Share	Mr. Yogesh Jain (Nominee of Parsvnath Developers Limited)	1	-	1	0.001%	0.00%
3.	Class B shares	Parsvnath Developers Limited	12,25,000	-	12,25,000	24.50%	0.00%
TOTAL			50,00,000	-	50,00,000	100%	

Shareholding As at 31 Mar '2021

Sr. No.	Class of equity Shares	Promoter's Name	Nos. of shares at the beginning of the year	Change during the year	Nos. of shares at the end of the year	% of total shares	% change during the year
1.	Class A Share	Parsvnath Developers Limited	37,74,999	-	37,74,999	75.499%	0.00%
2.	Class A Share	Mr. Yogesh Jain (Nominee of Parsvnath Developers Limited)	1	-	1	0.001%	0.00%
3.	Class B shares	Parsvnath Developers Limited	12,25,000	-	12,25,000	24.50%	0.00%
TOTAL			50,00,000	-	50,00,000	100%	

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2022

	As at 31-March-22 Rs in lakhs	As at 31-March-21 Rs in lakhs
11. Other equity		
a. Retained earnings	(64,562.68)	(49,766.37)
	(64,562.68)	(49,766.37)
a. Retained earnings		
Balance at the beginning of the year	(49,766.37)	(39,136.87)
Profit/(loss) for the year	(14,796.31)	(10,629.50)
Balance at the end of the year	(64,562.68)	(49,766.37)

Nature and purpose of reserves:

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

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March,2022

	As at 31-March-22	As at 31-March-21
	Rs in lakhs	Rs in lakhs
12. Borrowings		
Non current		
Secured - at amortised cost		
a. Term loan		
- From others		
a. Debentures		
Non Convertible Debentures - Junior	1,01,880.00	1,01,880.00
Non Convertible Debentures- Senior Series A	2,418.18	2,418.18
Non Convertible Debentures - Senior Series B	27,254.53	27,254.53
	1,31,552.71	1,31,552.71

A. Non Convertible Debentures - Junior

I. Non Convertible Debentures - Junior are secured by:-

12,188 Junior, Secured, Unrated, Redeemable Non-convertible debentures of Rs. 10 lakhs each were issued on 29 June 2020. The NCDs are to be secured by (a) A first ranking exclusive hypothecation over the Second Hypothecated properties i.e. Inventory, all moveable plant and machinery, equipment, furniture and all other fixed assets other than land and building, (b) first ranking exclusive pledge over the Company's pledged Securities, (c) charge over the Subordinated Loans and secured by, (d) The Corporate guarantee issued by Parsvnath Developers Limited, the holding company and (e) Personal Guarantees of Chairman, Managing Director and a wholetime Director of the holding company. Debentures were partially redeemed by an amount of Rs. 164,095.832 per debenture on 31 March, 2021. New face value per debenture is Rs. 835,904.168.

Debentures will be redeemed at such amount that shall provide return to the debenture holders calculated at an IRR of 10% per annum.

Junior debentures will be redeemed in 2 equal installments on 31st March, 2026 and 31st March, 2027.

II. Non Convertible Debentures- Senior Series A are secured by :-

250 Senior (series A), Secured, Rated, Listed Redeemable and Non-convertible debentures of Rs. 10 lakhs each were issued on 29 June 2020. The NCDs are secured by (a) A second ranking exclusive hypothecation over the First Hypothecated properties (All amount held, owing to and receivable in relation to the project 'Parsvnath Capital Tower' at Bahi Veer Singh Marg, New Delhi and all rights, title, interest, benefits, claims and demands) and net project receipts, (b) A first ranking exclusive hypothecation over the Second Hypothecated properties i.e. Inventory, all moveable plant and machinery, equipment, furniture and all other fixed assets other than land and building, (c) A first ranking exclusive pledge over the Company's pledged Securities, (d) A charge over the Subordinated Loans, (e) The Corporate guarantee issued by Parsvnath Developers Limited, the holding company, (f) Personal Guarantees of Chairman, Managing Director and a wholetime Director of the holding company. Debentures were partially redeemed by an amount of Rs. 32729.717 per debenture on 31 March, 2021. New face value per debenture is Rs. 967,270.283

Debentures will be redeemed at such amount that shall provide return to the debenture holders calculated at an IRR of 20% per annum.

Debentures are redeemable on 31 March, 2024 and 31 March, 2025

III.Non Convertible Debentures- Senior Series B are secured by :-

750 Senior, Secured Unlisted Redeemable Non-convertible debentures of Rs. 10 lakhs each were issued on 29 June 2020 and 2,000 Senior, Secured Unlisted Redeemable Non-convertible debentures of Rs. 10 lakhs each were further issued on 31 March 2021. The NCDs are secured by (a) A second ranking exclusive hypothecation over the First Hypothecated properties (All amount held, owing to and receivable in relation to the project 'Parsvnath Capital Tower' at Bahi Veer Singh Marg, New Delhi and all rights, title, interest, benefits, claims and demands) and net project receipts , (b) A first ranking exclusive hypothecation over the Second Hypothecated properties i.e. Inventory, all moveable plant and machinery, equipment, furniture and all other fixed assets other than land and building, (c) A first ranking exclusive pledge over the Company's pledged Securities, (d) A charge over the Subordinated Loans, (e) The Corporate guarantee issued by Parsvnath Developers Limited, the holding company, (f) Personal Guarantees of Chairman, Managing Director and a wholetime Director of the holding company. Debentures were partially redeemed by an amount of Rs. 8926.286 per debenture on 31 March, 2021. New face value per debenture is Rs. 991,073.714.

Debentures will be redeemed at such amount that shall provide return to the debenture holders calculated at an IRR of 20% per annual.

Debentures are redeemable on 31 March, 2024 and 31 March, 2025

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March,2022

	As at 31-March-22	As at 31-March-21
	Rs in lakhs	Rs in lakhs
13. Trade Payables *		
Current		
a. Total outstanding dues of micro enterprises and small enterprises	-	-
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	370.44	300.68
	370.44	300.68
* Refer Note-38 for Trade payables ageing schedule		
Note:		
As per the information available with the Company, trade payables do not include any amount due to Micro and Small Enterprises as defined under 'Micro, Small and Medium Enterprises Developments Act, 2006' (MSMED Act, 2006) and no interest has been paid or payable in terms of MSMED Act, 2006.		
14. Other financial liabilities *		
(i) Non current		
a. Security deposits received	1,102.70	952.55
b. Interest accrued but not due	19,629.78	7,581.02
	<u>20,732.48</u>	<u>8,533.57</u>
c. Lease liability	11,123.91	10,004.45
	31,856.39	18,538.02
(ii) Current		
a. Security deposits received	2,236.69	2,100.80
b. Security deposits received	69.41	67.81
c. Payables on purchase of fixed assets	144.11	124.40
d. Employees dues	20.15	18.96
	<u>2,470.36</u>	<u>2,311.97</u>
e. Lease liability	-	806.40
	2,470.36	3,118.37
* Carrying amount of these financial liabilities are reasonable approximation of their fair value.		
15. Other liabilities		
Non current		
a. Rent received in advance	50.47	749.93
	50.47	749.93
Current		
a. Statutory liabilities	6.12	2.29
	6.12	2.29
16. Provisions		
Current		
a. Employee benefits	10.86	10.14
	10.86	10.14
Break-up is as under:		
Provision for gratuity (Refer Note-30)	8.09	7.08
Provision for compensated absences	2.77	3.06
	10.87	10.14

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March,2022

	As at 31-March-22	As at 31-March-21	
	Rs in lakhs	Rs in lakhs	
17. Deferred tax assets (net)			
Deferred tax assets	(2,515.00)	2,515.00	
Deferred tax liabilities	2,515.00	(2,515.00)	
Net	-	-	
	Opening balance	Recognised in Profit or loss	Closing balance
	Rs in lakhs	Rs in lakhs	Rs in lakhs
Year ended 31 March, 2022			
Deferred Tax (liabilities)/assets in relation to Property, Plant and Equipment	(2,515.00)	-	(2,515.00)
	(2,515.00)	-	(2,515.00)
Deferred tax assets:			
Tax losses	2,515.00	-	2,515.00
	-	-	-
Year ended 31 March, 2021			
Deferred Tax (liabilities)/assets in relation to Property, Plant and Equipment	(3,303.00)	788.00	(2,515.00)
	(3,303.00)	788.00	(2,515.00)
Deferred tax assets:			
Tax losses	4,084.00	(1,569.00)	2,515.00
	781.00	(781.00)	-

Notes:

- The Company has tax losses of Rs. 16,281.74 lakhs (31 March, 2021 - Rs. 16,475.77 lakhs) that are available for off setting for eight years against future taxable income of the Company. The losses will expire as under:

	Current Year Rs. in lakhs	Previous Year Rs. in lakhs
Year ending 31 March, 2022		194.03
Year ending 31 March, 2023	6,132.32	6,132.32
Year ending 31 March, 2024	4,515.33	4,515.33
Year ending 31 March, 2025	2,176.22	2,176.22
Year ending 31 March, 2026	2,278.05	2,278.05
Year ending 31 March, 2027	1,179.82	1,179.82
Year ending 31 March, 2028		
Year ending 31 March, 2029		
Year ending 31 March, 2030		
Total	16,281.74	16,475.77

- On a prudence basis, the Company has recognised deferred tax assets (DTA) on current year's losses and other items. Unrecognised DTA on current year's losses is approximately Rs. 1718.25 Lakhs (March 2021-Rs. 2,515.00 lakhs).
- The Company has recognised deferred tax assets on its unabsorbed depreciation and business losses carried forward. The Company has executed long term lease agreements with its tenants. Based on these lease agreements, the Company has certainty as on the date of the balance sheet, that there will be sufficient taxable income available to realise such assets in the near future. Accordingly, the Company has created deferred tax assets on its carried forward unabsorbed depreciation and business losses.
- The recognition of deferred tax assets on tax losses is based on detailed budgets prepared by the Company .

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2022

	Year ended 31 March, 2022	Year ended 31 March, 2021
	Rs in lakhs	Rs in lakhs
18. Revenue from operations		
a. Lease income received	5,165.06	5,829.40
b. Maintenance charges income	469.06	526.08
	5,634.12	6,355.48
19. Other income		
a. Interest income:		
i. on deposits with bank	53.14	39.57
ii. on deposits with others	13.93	13.93
b. Excess provision written back	-	2.10
	67.07	55.60
20. Changes in inventories of work-in-progress		
a. Inventories at the beginning of the year		
i. Work-in-progress	7,300.83	7,300.83
b. Inventories at the end of the year		
i. Work-in-progress	7,300.83	7,300.83
c. Net (increase) /decrease	-	-
21. Employee benefits expense		
a. Salaries and wages	47.73	50.70
	47.73	50.70
22. Finance costs		
a. Interest expenses:		
i. on borrowings	16,415.77	11,427.62
ii. others		
a. On lease liability as per IND AS 116	780.64	751.49
b. On amortised cost instruments as per IND AS 115	286.04	382.78
iii. on delayed payment of statutory liabilities	1.05	261.72
	17,483.50	12,823.61
iv. Other borrowing cost	28.99	17.88
	17,512.49	12,841.49
23. Depreciation and amortisation expense		
a. Amortisation of intangible assets	1,845.60	1,924.19
b. Amortisation of right of use assets	351.35	305.30
	2,196.95	2,229.49
24. Other expenses		
a. Power and fuel	201.81	185.40
b. Lease rentals	162.23	161.40
c. Repair and maintenance - Building	37.48	136.28
d. Repair and maintenance - Others	16.10	17.20
e. Insurance	17.75	14.82
f. Rates and taxes	0.59	0.41
g. Printing and stationery	0.10	0.36
h. Advertisement and business promotion	0.93	0.31
i. Security and housekeeping expenses	207.81	189.97
j. Legal and professional charges	85.98	388.96
k. Payment to auditors - Statutory audit fee	3.50	4.58
l. Stamp duty	-	35.75
m. Miscellaneous expenses	6.05	2.46
	740.33	1,137.90
Payment to auditors (net of GST credit)		
i. Statutory audit fee (Payment to current auditor)	3.50	-
ii. Statutory audit fee (Payment to previous auditor)	-	4.58
	3.50	4.58

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the Half Year ended 31 March, 2022

	Year ended 31 March, 2022	Year ended 31 March, 2021
	Rs. in lakhs	Rs. in lakhs
25 Income tax		
i. Income tax expense/(benefit) recognised in Statement of Profit and Loss		
Current tax		
In respect of the current year	-	-
Tax adjustment for earlier years	-	-
	-	-
Deferred tax		
In respect of the current year	-	781.00
	-	781.00
	-	-
Total income tax expense recognised	-	781.00
ii. Income tax expense/(benefit) reconciliation with effective tax rate on accounting profit:		
Profit/(loss) before tax	(14,796.31)	(9,848.50)
Income tax expense calculated at 26% (2020-21: 26%)	(3,847.04)	(2,560.61)
Income tax adjustment for earlier years	-	-
Effect of expenses that are not deductible in determining taxable profit	-	1,779.61
Deferred tax not recognised on prudence basis	3,847.04	-
Income tax expense/(benefit) recognised in statement of profit and loss	-	(781.00)
<p>The tax rate used for the years 2021-22 and 2020-21 reconciliations above is the corporate tax rate of 25% plus cess of 4% on corporate tax, payable by corporate entities in India on taxable profits under the Indian tax law.</p>		
iii. Income tax recognised in other comprehensive income		
Remeasurements of defined benefit obligation	-	-
Total income tax recognised in other comprehensive income	-	-

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2022

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

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

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

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

29. Commitments

i. Capital Commitments

	As at 31 March, 2022	As at 31 March, 2021
	Rs in lakhs	Rs in lakhs
Estimated amount of contracts remaining to be executed on capital account (net of advances)	-	-
ii. Bank guarantee issued by the holding company	672.00	672.00

30. Employee benefit plan

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

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

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

	As at 31 March, 2022	As at 31 March, 2021
	Rs. in lakhs	Rs. in lakhs
Liability at the beginning of the year	7.08	6.83
Current service cost	1.01	0.25
Paid during the year	-	-
Liability at the end of the year	8.09	7.08
Expensed recognised in the Statement of Profit and Loss	1.01	0.25

31. Segment reporting

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.

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2022

32. Earnings per share

		As at 31 March, 2022	As at 31 March, 2021
i.	Net loss for calculation of basic and diluted earnings per share	Rs. In lakhs (14,796.31)	(10,629.50)
ii.	Weighted average number of equity shares outstanding during the year	Numbers 50,00,000	50,00,000
iii.	Basic and diluted earnings per share	Rs. (295.93)	(212.59)
iv.	Nominal value of equity shares	Rs. 10	10

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

	Year ended 31 March, 2022 Rs. in lakhs	Year ended 31 March, 2021 Rs. in lakhs
a.	Legal and professional charges	-
b.	Licence fee	31.50
c.	Labour Cess	84.32
d.	Compounding charges	0.36
	6.23	-
	<u>1,504.96</u>	<u>115.82</u>

34. Details of borrowing costs capitalised during the year:

	Year ended 31 March, 2022 Rs. in lakhs	Year ended 31 March, 2021 Rs. in lakhs
a.	Intangible assets under development	423.38
	<u>423.38</u>	<u>1,129.81</u>
		<u>1,129.81</u>

35. Corporate social responsibility

In terms of provisions of section 135 of the Companies Act, 2013, the Company was not required to spend on Corporate Social Responsibility (CSR) during the year in view of the continuing losses during the last three years and there is no unspent amount towards Corporate Social Responsibilities (CSR) under section (5) of Section 135 of the Act pursuant to any project.

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2022

36. Related party disclosures

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

- (a) Holding Company :-**
 - Parsvnath Developers Limited (PDL)
- (b) Director's Details :-**
 - Deepa Gupta
 - Rakshita Sharma

ii. Balances outstanding/transactions with related parties

	<u>Holding Company</u> Rs. In lakhs Current year	<u>Holding Company</u> Rs. In lakhs Previous year	<u>Director's Details</u> Rs. In lakhs Current year	<u>Director's Details</u> Rs. In lakhs Previous year
(a) Transactions during the year				
Director sitting fees	-	-	1.30	1.00
Interest income on deposits	13.93	13.93	-	-
Security deposit received back	-	317.91	-	-
Advance paid	24.37	-	-	-
Advance paid for purchase of land	712.50	7,146.98	-	-
Advances repaid	-	-	-	-
Advances received back	736.87	483.45	-	-
Margin money (asset)	-	625.45	-	-
Financial quarantees issued by	-	1,65,000.00	-	-
(b) Balances at year-end				
Security deposits (asset)	-	-	-	-
Margin money (asset)	-	827.05	-	-
Interest accrued on deposits	38.00	25.45	-	-
Advance for purchase of land	38,859.48	38,146.98	-	-
Other receivables	-	-	-	-
Gurantees received	672.00	672.00	-	-
Financial quarantees issued by PDL	1,65,000.00	1,65,000.00	-	-

Notes:

- 1 All related party transactions entered during the year were in ordinary course of business and are on arm's length basis.

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the Year ended 31 March, 2022

37 Ageing of Trade Receivables

Rs in lakhs

As on 31-03-2022							
Particulars	Unbilled dues	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Yrs	Total
(i) Undisputed Trade Receivables - Considered Goods	-	15.43	-	13.14	122.89	42.56	194.01
(ii) Undisputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables - Considered Goods	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-	-
Total	-	15.43	-	13.14	122.89	42.56	194.01

Rs in lakhs

As on 31-03-2021							
Particulars	Unbilled dues	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Yrs	Total
(i) Undisputed Trade Receivables - Considered Goods	-	413.00	302.46	120.82	1.38	42.89	880.56
(ii) Undisputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables - Considered Goods	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-	-
Total	-	413.00	302.46	120.82	1.38	42.89	880.56

38 Ageing of Trade Payables

Rs in lakhs

Outstanding balances as on 31-03-2022						
Particulars	Unbilled dues	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Yrs	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	28.38	322.65	-	1.52	17.89	370.44
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total	28.38	322.65	-	1.52	17.89	370.44

Rs in lakhs

Outstanding balances as on 31-03-2021						
Particulars	Unbilled dues	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Yrs	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	39.79	249.51	-	1.31	10.07	300.68
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total	39.79	249.51	-	1.31	10.07	300.68

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the Year ended 31 March, 2022

39. OTHER STATUTORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2022 AND 31 MARCH 2021:

- (i) The Company do not have any benami property , where any proceeding has been initiated or pending against the Company for holding any benami property under the Benanmi Transactions (prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) The Company does not have any transaction with companies struck off under Section 248 of the Companies Act. 2013
- (iii) The Company does not have any charge or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period except in case of charge created for loan taken as Junior debt which is to be created after 3 working days of satisfaction of charge by Senior Debenture Trustee.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company have not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company do not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).
- (viii) The Company has not been declared willful defaulter by any bank or financial institution or Government or any Government authority or other lender, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- (ix) The Company does not have any investment and hence compliance under the number of layers prescribed under Clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable.
- (xi) The Company has not taken any over draft facility during the year, so disclosure regarding discrepancies between balance as per books and quarterly statement sent to Bank is not applicable.
- (xii) Term loan taken from Bank, Financial Institutions or any lender were utilized for the purpose for which taken.
- (xiii) There was no amounts which was required to be transferred to the Investor Education & Protection Fund, during the year.

40. The Company has not provided and paid any remuneration to Directors during the year.

41. In the opinion of the Board of directors, Current and non current assets do have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

42. The outbreak of Coronavirus (COVID-19) pandemic has caused significant disturbance and slowdown of economic activity. COVID-19 has adversely impacted the business operations of the company, by way of interruption of construction activities, supply chain disruption, unavailability of labour, etc. The Company has assessed the economic impact of Covid-19 on its business by evaluating various scenarios on certain assumptions and current indicators of future economic conditions and on the basis of internal and external sources of information. Based on this, the Company has assessed recoverability and carrying value of its assets comprising inventory, receivables, investments, investment properties, intangible assets, right of use assets, advances, deferred tax assets and other financial and non-financial assets and believes that it will recover the carrying value of all its assets. The management will continue to closely monitor any material changes arising out of future economic conditions and impact on its business.

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the Year ended 31 March, 2022

43 Ratios

S. No	Particulars	Numerator	Denominator	As on 31.03.22	As on 31.03.21	% Changes In ratio	Remarks (Explanation shall be provided for any change in the ratio by more than 25% as compared to the preceding year.)
1	Current ratio (in times)	Current assets	Current liabilities	17.13	14.50	-18.18	Not Applicable
2	Debt-equity ratio (in times)	Total debt	Total equity	(2.05)	(2.67)	23.10	Not Applicable
3	Debt service coverage ratio (in times)	Earnings before exceptional items, interest and tax (EBIT) & Finance cost charged to inventory	[Finance cost + principal repayments made during the period for non-current borrowings (including current maturities)]	0.28	0.03	-707.83	Increase in ratio due to increase in interest cost
4	Return on equity ratio (%)	Net profit after tax	Total equity excluding Debenture Redemption Reserve	23.10%	21.58%	-7.05	Not Applicable
5	Inventory turnover ratio (in times)	Cost of goods sold	Average inventories	Not Applicable	Not Applicable	Not Applicable	Not Applicable
6	Trade receivable turnover ratio (in times)	Revenue from operations	Average trade receivables	10.49	8.41	-24.68	Not Applicable
7	Trade payable turnover ratio (in times)	Cost of goods sold	Average trade payables	Not Applicable	Not Applicable	Not Applicable	Not Applicable
8	Net capital turnover ratio (in times)	Revenue from operations	Working capital\$	0.12	0.14	10.94	Not Applicable
9	Net profit ratio (in %)	Net profit after tax	Revenue from operations	-262.62%	-167.25%	-57.02	Decrease in ratio due to increase in expenses.
10	Return on capital employed (%)	Earnings before exceptional items, interest and tax (EBIT) & Finance cost charged to inventory	Capital employed@	0.04	0.04	0.00	Increase in ratio due to increase in finance cost
11	Return on investment (%) ^						
	(i) Fixed income investments	Interest income	Average investment in fixed income investments	Not Applicable	Not Applicable	Not Applicable	Not Applicable

\$ Working capital = Total current assets less Total current liabilities.

@Capital employed has been considered as Total equity excluding DRR, Total debts excluding interest accrued net of cash and cash equivalents.

^ does not include return on investment in subsidiaries, associates, joint ventures and partnership firms which are stated at cost as per Ind AS 27 'Separate Financial Statements' and unquoted equity investments being measured at fair value through other comprehensive income ('FVTOCI').

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2022

44 Financial Instruments

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

		As at 31-March-22				As at 31-March-21			
		Total	Amortised Cost	At cost	FVTPL	Total	Amortised Cost	At cost	FVTPL
Financial assets									
i.	Trade receivables	194.01	194.01	-	-	880.56	880.56	-	-
ii.	Cash and cash equivalents	1,213.07	1,213.07	-	-	2,817.81	2,817.81	-	-
iii.	Other financial assets	1,919.23	1,919.23	-	-	1,139.47	1,139.47	-	-
Total financial assets		3,326.31	3,326.31	-	-	4,837.84	4,837.84	-	-
Financial liabilities									
i.	Borrowings	1,31,552.71	1,31,552.71	-	-	1,31,552.71	1,31,552.71	-	-
ii.	Trade Payables	370.44	370.44	-	-	300.68	300.68	-	-
iii.	Other financial liabilities	23,202.84	23,202.84	-	-	10,845.54	10,845.54	-	-
iv.	Lease liabilities	11,123.91	11,123.91	-	-	10,810.85	10,810.85	-	-
Total financial liabilities		1,66,249.90	1,66,249.90	-	-	1,53,509.78	1,53,509.78	-	-

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

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2022

45 Operating lease arrangements - As lessee - Ind AS 116

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 fee payable to DMRC over the concession period has been recognised as 'Right of use assets' and 'lease liabilities' as at 1 April, 2019 as per Ind AS 116.

The company has applied Ind AS 116 using the modified retrospective approach.

i. Right-of-use assets

Movement and carrying value of right of use assets is as under:

	Building	Building under development	Total
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Balance as at 31 March, 2020	6,255.35	3,576.69	9,832.04
Additions during the year	-	-	-
Disposal/Adjustments during the year	-	-	-
	6,255.35	3,576.69	9,832.04
Less: Amortisation expense during the year	305.30	-	305.30
Balance as at 31 March, 2021	5,950.05	3,576.69	9,526.74
Additions during the year	4,379.64	(3,576.69)	802.95
Disposal/Adjustments during the year	-	-	-
	10,329.69	-	10,329.69
Less: Amortisation expense during the year	351.35	-	351.35
Balance as at 31 March, 2022	9,978.34	-	9,978.34

Notes:

- a. The Company has adopted Ind AS 116 "Leases" effective April 1, 2019 and applied the standard to its lease contracts existing as at 1 April, 2019 using the modified retrospective approach. The Company has recorded lease liability at the present value of the lease payments that are not paid as at 1 April, 2019, discounted using the company's incremental borrowing rate and recognised right of use assets of equal amounts.
- b. The depreciation expense of Rs. 351.35 lakhs (Previous year Rs. 305.30 lakhs) on right-of-use assets is included under depreciation and amortisation expense in the statement of Profit and Loss and depreciation of Rs. NIL (Previous year Rs. Nil) has been capitalised in 'Intangible Assets Under Development'.
- c. The following is the summary of practical expedients elected on initial application:
 - (i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
 - (ii) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application or low value leases.
 - (iii) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
 - (iv) Applied the practical expedient to assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

ii. Lease liability

The following is the movement in lease liabilities during the year ended 31 March, 2022:

	As at 31-March-2022 Rs. in lakhs	As at 31-March-2021 Rs. in lakhs
Balance at the Beginning of the year	10,810.84	10,456.11
Additions	-	-
Disposal/Adjustments	(198.90)	-
	10,611.94	10,456.11
Add: Finance cost accrued during the year	1,193.50	1,161.13
Less: Payment of lease liabilities	681.53	806.40
Balance at the end	11,123.91	10,810.84
Current	-	806.40
Non-current	11,123.91	10,004.44
	11,123.91	10,810.84

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Notes to the financial statements for the year ended 31 March, 2022

iii. **Maturity analysis of lease liabilities:**

The table below provides details regarding the contractual cash flows of lease liabilities as at 31 March, 2022 on an undiscounted basis:

	As at 31-March-2022 Rs. in lakhs	As at 31-March-2021 Rs. in lakhs
Due within one year	967.68	887.04
Due later than one year and not later than five years	4,354.56	4,161.02
Due later than five years	25,910.35	27,071.57
Total undiscounted lease liabilities	31,232.59	32,119.63

iv. **Amounts recognised in Statement of profit and loss**

	Year Ended 31-March-2022 Rs. in lakhs	Year Ended 31-March-2021 Rs. in lakhs
Interest on lease liabilities	780.64	751.49
Depreciation on right of use assets	351.35	305.30
Expenses relating to short-term and low value leases	-	-
Amortisation of upfront fee	162.23	382.78
	1,294.22	1,439.57

Note:

a. Expenses on short-term lease mainly includes lease charges of assets held for transfer.

v. **Amounts capitalised to Intangible assets**

	Year Ended 31-March-2022 Rs. in lakhs	Year Ended 31-March-2021 Rs. in lakhs
Interest on lease liabilities	423.38	409.64
Depreciation on Intangible assets	1,845.60	1,924.19
	2,268.98	2,333.83

vi. **Disclosures for operating leases other than leases covered in Ind AS 116**

The Company has entered into Concession Agreements with Delhi Metro Rail Corporation (DMRC) and has acquired the License Rights to develop properties. During the year ended 31 March, 2019, the Company had entered into agreements for transfer of some of these properties to SPVs, accordingly the Company has not applied Ind AS 116 to such lease contracts.

	Year Ended 31-March-2022 Rs. in lakhs	Year Ended 31-March-2021 Rs. in lakhs
a. As a lessee (expenses)		
Lease contracts held for transfer	-	-
Other short-term lease contracts	-	-
	-	-

46 Operating lease arrangements - As lessor

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

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

	Year Ended 31-March-2022 Rs. in lakhs	Year Ended 31-March-2021 Rs. in lakhs
Recognised in statement of profit and loss		
a. License fee income	-	-
b. Rental Income	4,674.27	5,486.77
	4,674.27	5,486.77

The total of future minimum lease receivables are as follows:

	As at 31-March-2022 Rs. in lakhs	As at 31-March-2021 Rs. in lakhs
a. Not later than one year	5,061.56	3,932.05
b. Later than one year but not later than five years	5,515.46	6,275.58
c. Later than five years	-	-
	10,577.02	10,207.63

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2022

47. Financial Risk Management

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

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

Liquidity Risk

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

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

	Carrying amount	Payable within 1 year	Payable in 1-3 years	Rs. in lakhs Payable more than 3 years
As at 31 March, 2022				
Borrowings	1,31,552.71	-	-	1,31,552.71
Trade payables	370.44	370.44	-	-
Other financial liabilities	23,202.84	2,470.36	1,102.70	19,629.78
Lease liabilities	11,123.91	-	-	11,123.91
	1,66,249.90	2,840.80	1,102.70	1,62,306.40
As at 31 March, 2021				
Borrowings	1,31,552.71	-	-	1,31,552.71
Trade payables	300.68	300.68	-	-
Other financial liabilities	10,845.54	2,311.97	952.55	7,581.02
Lease liabilities	10,810.85	806.40	-	10,004.45
	1,53,509.78	3,419.05	952.55	1,49,138.18

Market risk

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

A. Interest rate risk

Interest rate risk is the risk that the future cash flows will fluctuate due to changes in market interest rates. The Company is mainly exposed to the interest rate risk due to its borrowings. The Company manages its interest rate risk by having fixed rate borrowings. The Company does not enter into any interest rate swaps.

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March,2022

Interest rate sensitivity analysis

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

	As at 31 March, 2022	As at 31 March, 2021
	Rs. in lacs	Rs. in lacs
Variable rate borrowings		
Long Term	-	-
Short Term	-	-
Total Variable rate Borrowing	-	-
Fixed Rate Borrowings		
Long Term	1,31,552.71	1,31,552.71
Short Term	-	-
Total Fixed rate Borrowing	1,31,552.71	1,31,552.71
Total Borrowing	1,31,552.71	1,31,552.71

Sensitivity

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

B. Price risk

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

Credit Risk

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

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

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

	As at 31 March, 2022	As at 31 March, 2021
	Rs. in lakhs	Rs. in lakhs
Outstanding for more than 6 months	178.58	467.56
Outstanding for 6 months or less	15.43	413.00
	194.01	880.56

Parsvnath Estate Developers Private Limited
Notes to the financial statements for the year ended 31 March, 2022

48. Capital Management

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

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

	As at 31 March, 2022	As at 31 March, 2021
	Rs. in lacs	Rs. in lacs
Borrowings:		
- Long term	1,31,552.71	1,31,552.71
- Short term	-	-
- Current maturities of long term borrowings	-	-
Total borrowings - A	1,31,552.71	1,31,552.71
Equity		
- Share capital	500.00	500.00
- Other equity	(64,562.68)	(49,766.37)
Total Equity - B	(64,062.68)	(49,266.37)
Debt to equity ratio (A/B)	(2.05)	(2.67)

49. The Company has entered into long-term leasing arrangements, which ensures regular leasing income. The Phase II of the project is now operational on 24th March, 2022 and will now start to leased out and generate additional revenue. Although, net worth of the Company has fully eroded, the management believes that the Company does not have any issue to meet its obligations. Moreover, the holding company has also committed financial support. Accordingly, these financial statements have been prepared on the fundamental assumption of going concern.

50. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/ interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on the preliminary assessment the entity believes the impact of the change will not be significant

51. Previous year figures have been regrouped / reclassified wherever necessary, to make them comparable with current year figures.

52. Events after the reporting period

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

53. Approval of the financial statements

The financial statements were approved for issue by Board of Directors on 30 May, 2022

For and on behalf of the Board of Directors

For T R Chadha & Co. LLP

Chartered Accountants
 Firm's Registration No. 006711N/N500028

S/d -

Aashish Gupta

Partner

Membership No. 097343

S/d -

Arvind Kumar Mishra

Director

DIN:08250280

S/d -

Suryamani Pandey

Director

DIN:08250346

Place: Delhi

Date: