

Annexure - A

PARSVNATH DEVELOPERS LIMITED

Regd. & Corporate Office: Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi - 110 032

CIN : L45201DL1990PLC040945; Tel. : 011-43050100, 43010500; Fax : 011-43050473

E-mail : investors@parsvnath.com; website : www.parsvnath.com

Parsvnaths
committed to build a better world**STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2023**

Rs. in lakhs

| Particulars | Quarter ended | | | Year Ended | |
|---|--|---------------------------|--|-------------------------|-------------------------|
| | 31.03.2023 (Audited) Refer Note 16 | 31.12.2022 (Unaudited) | 31.03.2022 (Audited) Refer Note 16 | 31.03.2023 (Audited) | 31.03.2022 (Audited) |
| 1. Revenue from operations | 18,950.34 | 4,628.33 | 42,923.20 | 28,673.36 | 74,480.90 |
| 2. Other income | 2,923.10 | 171.36 | 186.99 | 3,265.82 | 1,231.97 |
| 3. Total income (1+2) | 21,873.44 | 4,799.69 | 43,110.19 | 31,939.18 | 75,712.87 |
| 4. Expenses | | | | | |
| a. Cost of land / development rights | 6,556.32 | 575.02 | 601.53 | 8,429.64 | 5,148.28 |
| b. Cost of materials consumed | 26.31 | 22.19 | 149.11 | 177.42 | 460.82 |
| c. Contract cost, labour and other charges | 331.42 | 175.99 | (264.82) | 701.61 | 210.73 |
| d. Changes in inventories of finished goods and work in progress | 17,137.34 | 4,419.85 | 50,286.03 | 26,311.44 | 70,437.93 |
| e. Employee benefits expense | 302.15 | 295.36 | 303.15 | 1,211.77 | 1,162.05 |
| f. Finance costs | 8,383.33 | 3,187.81 | 5,877.13 | 18,458.47 | 15,132.84 |
| g. Depreciation and amortisation expense | 79.15 | 67.85 | 120.77 | 319.67 | 336.11 |
| h. Other expenses | 2,381.02 | 936.10 | 912.68 | 4,977.06 | 3,326.96 |
| Total expenses | 35,197.04 | 9,680.17 | 57,985.58 | 60,587.08 | 96,215.72 |
| 5. Profit/(Loss) before exceptional items and tax(3-4) | (13,323.60) | (4,880.48) | (14,875.39) | (28,647.90) | (20,502.85) |
| 6. Exceptional items | (8,056.87) | - | - | (8,056.87) | - |
| 7. Profit/(Loss) before tax (5-6) | (21,380.47) | (4,880.48) | (14,875.39) | (36,704.77) | (20,502.85) |
| 8. Tax expense /(benefit) | | | | | |
| a. Current tax | - | - | - | - | - |
| b. Tax adjustment for the earlier years | - | - | - | - | 414.35 |
| c. Deferred tax charge / (credit) | 8,486.00 | - | - | 8,486.00 | - |
| 9. Profit/(Loss) after tax (7-8) | (29,866.47) | (4,880.48) | (14,875.39) | (45,190.77) | (20,917.20) |
| 10. Other Comprehensive Income | | | | | |
| a. Items that will not be reclassified to Profit or loss | (12.55) | 2.31 | 22.16 | (9.41) | 78.75 |
| b. Income tax relating to items that will not be reclassified to Profit or loss | - | - | - | - | - |
| Other Comprehensive Income | (12.55) | 2.31 | 22.16 | (9.41) | 78.75 |
| 11. Total Comprehensive Income for the period/year (9+10) | (29,879.02) | (4,878.17) | (14,853.23) | (45,200.18) | (20,838.45) |
| 12. Paid-up equity share capital (Face value Rs. 5 each) | 21,759.06 | 21,759.06 | 21,759.06 | 21,759.06 | 21,759.06 |
| 13. Other equity | | | | 35,376.07 | 80,576.25 |
| 14. Earnings per equity share (face value Rs. 5/- each) - Basic and Diluted (not annualised) (in Rupees) | (6.86) | (1.12) | (3.42) | (10.38) | (4.81) |

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STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2023

| Rs. in lakhs | | | | | |
|---|--|---------------------------|--|-------------------------|-------------------------|
| Particulars | Quarter ended | | | Year Ended | |
| | 31.03.2023 (Audited) Refer Note 16 | 31.12.2022 (Unaudited) | 31.03.2022 (Audited) Refer Note 16 | 31.03.2023 (Audited) | 31.03.2022 (Audited) |
| 1. Revenue from operations | 28,007.48 | 6,423.71 | 52,832.16 | 44,032.55 | 89,893.29 |
| 2. Other income | 2,974.36 | 351.50 | 430.25 | 3,838.42 | 1,885.76 |
| 3. Total income (1+2) | 30,981.84 | 6,775.21 | 53,262.41 | 47,870.97 | 91,779.05 |
| 4. Expenses | | | | | |
| a. Cost of land / development rights | 315.84 | 575.02 | 2,400.65 | 2,189.16 | 5,148.28 |
| b. Cost of materials consumed | 481.69 | 360.04 | 450.44 | 1,963.61 | 1,207.66 |
| c. Purchases of stock-in-trade | 1,649.67 | (382.30) | (1,958.09) | - | (1,958.09) |
| d. Contract cost, labour and other charges | 1,245.68 | 600.80 | 433.85 | 4,305.46 | 2,194.52 |
| e. Changes in inventories of finished goods and work in progress | 28,486.56 | 4,416.44 | 61,477.34 | 37,049.97 | 82,598.51 |
| f. Employee benefits expense | 335.32 | 312.69 | 344.13 | 1,313.44 | 1,316.96 |
| g. Finance costs | 10,637.41 | 9,583.08 | 11,952.54 | 39,266.22 | 39,509.79 |
| h. Depreciation and amortisation expense | 2,506.36 | 1,355.00 | 2,070.55 | 6,612.64 | 5,887.59 |
| i. Other expenses | 5,026.05 | 1,147.33 | 2,038.70 | 7,958.07 | 4,845.62 |
| Total expenses | 50,684.58 | 17,968.10 | 79,210.11 | 1,00,658.57 | 1,40,750.84 |
| 5. Profit/(Loss) before exceptional items and tax(3-4) | (19,702.74) | (11,192.89) | (25,947.70) | (52,787.60) | (48,971.79) |
| 6. Exceptional items | (12,437.87) | - | - | (12,437.87) | - |
| 7. Profit/(Loss) before tax (5-6) | (32,140.61) | (11,192.89) | (25,947.70) | (65,225.47) | (48,971.79) |
| 8. Tax expense /(benefit) | | | | | |
| a. Current tax | 171.87 | (0.17) | 0.39 | 171.90 | (0.21) |
| b. Tax adjustment for the earlier years | 153.41 | - | - | 167.32 | 414.35 |
| c. Deferred tax charge / (credit) | 9,432.68 | 4,889.66 | 0.35 | 14,357.28 | - |
| 9. Profit/(Loss) after tax (7-8) | (41,898.57) | (16,082.38) | (25,948.44) | (79,921.97) | (49,385.93) |
| 10. Share of profit / (loss) in associates (net) | (206.60) | (0.03) | 0.73 | (206.33) | (0.31) |
| 11. Profit/(Loss) for the period/year (9+10) | (42,105.17) | (16,082.41) | (25,947.71) | (80,128.30) | (49,386.24) |
| 12. Other Comprehensive Income | | | | | |
| a. Items that will not be reclassified to Profit or loss | (12.55) | 2.31 | 22.16 | (9.41) | 78.75 |
| b. Income tax relating to items that will not be reclassified to Profit or loss | - | - | - | - | - |
| Other Comprehensive Income | (12.55) | 2.31 | 22.16 | (9.41) | 78.75 |
| 13. Total Comprehensive Income for the period/year (11+12) | (42,117.72) | (16,080.10) | (25,925.55) | (80,137.71) | (49,307.49) |
| Net profit/(loss) attributable to: | | | | | |
| a. Shareholders of the company | (41,910.80) | (16,153.32) | (25,922.80) | (80,027.51) | (49,150.92) |
| b. Non-controlling interest | (206.92) | 73.22 | (2.75) | (110.20) | (156.57) |
| | (42,117.72) | (16,080.10) | (25,925.55) | (80,137.71) | (49,307.49) |
| 14. Paid-up equity share capital (Face value Rs. 5 each) | 21,759.06 | 21,759.06 | 21,759.06 | 21,759.06 | 21,759.06 |
| 15. Other equity | | | | (1,32,042.48) | (52,060.09) |
| 16. Earnings per equity share (face value Rs. 5/- each) - Basic and Diluted (not annualised) (in Rupees) | (9.63) | (3.71) | (5.96) | (18.39) | (11.31) |

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STANDALONE AND CONSOLIDATED AUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT 31.03.2023

Rs. in lakhs

| Particulars | Standalone | | Consolidated | |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | As at 31 March, 2023 (Audited) | As at 31 March, 2022 (Audited) | As at 31 March, 2023 (Audited) | As at 31 March, 2022 (Audited) |
| ASSETS | | | | |
| 1. Non-current assets | | | | |
| a. Property, Plant and Equipment | 50.05 | 72.40 | 451.39 | 411.44 |
| b. Right of use assets | 1,581.64 | 1,359.59 | 50,556.82 | 34,190.64 |
| c. Capital work-in-progress | - | - | 2,097.11 | 2,141.83 |
| d. Investment Property | 1,392.63 | 1,453.88 | 2,821.64 | 3,883.31 |
| e. Other Intangible assets | 1,537.03 | 1,627.24 | 48,981.02 | 53,463.77 |
| f. Intangible assets under development | 14,032.51 | 13,851.02 | 88,103.05 | 81,345.47 |
| g. Financial Assets :- | | | | |
| i) Investments | 1,05,782.49 | 86,166.44 | 17,492.46 | 39,000.39 |
| ii) Loans | 13,275.55 | 13,165.81 | - | - |
| iii) Others financial assets | 15,458.60 | 16,383.89 | 26,784.00 | 27,712.13 |
| h. Deferred tax assets (net) | 7,771.82 | 16,257.82 | 9,826.80 | 24,181.64 |
| i. Tax Assets (Net) | 1,420.05 | 1,455.82 | 2,133.61 | 3,412.64 |
| j. Other non-current assets | 8,221.49 | 15,563.22 | 2,119.87 | 4,121.85 |
| Total non-current assets | 1,70,523.86 | 1,67,357.13 | 2,51,367.77 | 2,73,865.11 |
| 2. Current assets | | | | |
| a. Inventories | 2,03,278.91 | 2,35,603.56 | 3,35,792.26 | 3,65,891.18 |
| b. Financial Assets :- | | | | |
| i) Trade receivables | 27,955.66 | 27,602.75 | 25,994.99 | 28,783.96 |
| ii) Cash and cash equivalents | 230.60 | 666.91 | 1,526.95 | 2,478.77 |
| iii) Bank balances other than (iii) above | 6,230.29 | 5,189.88 | 7,794.31 | 5,623.51 |
| iv) Loans | 7,933.84 | 9,065.52 | 250.50 | 1,136.99 |
| v) Others financial assets | 2,481.22 | 2,351.85 | 4,685.21 | 3,607.93 |
| c. Current Tax Assets (Net) | - | - | - | - |
| d. Other current assets | 3,737.25 | 5,429.69 | 10,127.34 | 11,122.87 |
| e. Assets held for sale | 41,825.06 | 80,895.13 | - | - |
| Total current assets | 2,93,672.83 | 3,66,805.29 | 3,86,171.56 | 4,18,645.21 |
| Total Assets | 4,64,196.69 | 5,34,162.42 | 6,37,539.33 | 6,92,510.32 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| a. Equity Share Capital | 21,759.06 | 21,759.06 | 21,759.06 | 21,759.06 |
| c. Other Equity | 35,376.07 | 80,576.25 | (1,32,042.48) | (52,060.09) |
| Total Equity (for shareholders of parent) | 57,135.13 | 1,02,335.31 | (1,10,283.42) | (30,301.03) |
| Non-controlling interest | - | - | 8,829.69 | 1,099.61 |
| Total Equity | 57,135.13 | 1,02,335.31 | (1,01,453.73) | (29,201.42) |
| Liabilities | | | | |
| 1. Non-current liabilities | | | | |
| a. Financial Liabilities :- | | | | |
| i) Borrowings | 45,216.55 | 46,318.63 | 1,95,370.10 | 2,09,583.68 |
| ii) Lease Liability | 1,518.79 | 1,211.97 | 44,796.12 | 30,046.33 |
| iii) Other non-current financial liabilities | 18,861.23 | 4,416.72 | 75,712.44 | 32,536.74 |
| b. Provisions | 347.24 | 334.52 | 368.64 | 334.52 |
| c. Other non-current liabilities | 647.46 | 696.40 | 778.35 | 4,196.40 |
| | 66,591.27 | 52,978.24 | 3,17,025.65 | 2,76,697.67 |
| 2. Current liabilities | | | | |
| a. Financial Liabilities :- | | | | |
| i) Borrowings | 60,424.77 | 90,319.18 | 1,01,439.72 | 1,12,296.60 |
| ii) Trade payables :- | | | | |
| - Total outstanding dues of micro and small enterprises | 193.72 | 155.36 | 222.36 | 159.31 |
| - Total outstanding dues of creditors other than micro and small enterprises | 63,899.72 | 61,733.98 | 71,396.10 | 71,316.42 |
| iii) Lease Liability | 45.11 | 31.27 | 1,090.10 | 1,812.24 |
| iv) Other financial liabilities | 50,731.41 | 60,285.98 | 70,269.22 | 81,202.60 |
| b. Provisions | 8.91 | 8.78 | 13.74 | 32.76 |
| c. Current Tax Liabilities (Net) | - | - | 4.23 | 5.69 |
| d. Other current liabilities | 1,65,166.65 | 1,66,314.32 | 1,77,531.94 | 1,78,188.45 |
| | 3,40,470.29 | 3,78,848.87 | 4,21,967.41 | 4,45,014.07 |
| Total Liabilities | 4,07,061.56 | 4,31,827.11 | 7,38,993.06 | 7,21,711.74 |
| Total Equity and Liabilities | 4,64,196.69 | 5,34,162.42 | 6,37,539.33 | 6,92,510.32 |



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AUDITED STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2023

Rs. in lakhs

| Particulars | Year ended | |
|--|--------------------|--------------------|
| | 31.03.2023 | 31.03.2022 |
| A. Cash flow from operating activities | | |
| Profit/(loss) before tax (including OCI) | (36,714.18) | (20,424.10) |
| -Adjustments for: | | |
| Depreciation and amortisation expense | 319.67 | 336.11 |
| Loss/(Profit) on sale of property, plant and equipment (net) / asset transfer | 15.50 | (89.24) |
| Profit on sale of non-current investments | - | (7.45) |
| Finance costs | 18,805.19 | 21,924.52 |
| Interest income | (1,046.60) | (334.19) |
| Excess provisions/liabilities no longer required written back | (2,151.14) | (248.73) |
| Provision for diminution in value of investments | 175.00 | - |
| Provision for doubtful debts and advances | 792.49 | - |
| Exceptional items | 8,056.87 | - |
| Sundry balances written off | - | 246.44 |
| -Operating profit/(loss) before working capital changes | (11,747.20) | 1,403.36 |
| Movement in working capital: | | |
| -Adjustments for (increase)/decrease in operating assets: | | |
| Inventories | 28,080.02 | 58,610.72 |
| Trade receivables | (1,060.43) | 3,714.45 |
| Loans - non current | (144.74) | (251.44) |
| Loans - current | 1,131.42 | 479.64 |
| Other financial assets - non current | 895.78 | 227.23 |
| Other financial assets - current | (1,089.50) | 733.06 |
| Other assets - non current | 7,251.73 | 8,894.55 |
| Other assets - current | 1,552.39 | 3,787.16 |
| Assets held for sale | (270.23) | - |
| -Adjustments for increase/(decrease) in operating liabilities: | | |
| Trade payables | 3,033.06 | (620.60) |
| Other financial liabilities - non current | 14,458.23 | (1,968.85) |
| Lease Liabilities current & non-current | 320.66 | (142.72) |
| Other financial liabilities - current | (474.57) | 2,286.15 |
| Other liabilities - non current | (48.94) | (247.36) |
| Other liabilities - current | 25.27 | (46,923.74) |
| Provisions - non current | 12.72 | (43.81) |
| Provisions - current | 0.13 | (0.41) |
| -Cash generated from/(used in) operations | 41,925.80 | 29,937.39 |
| Income taxes paid (net) | (17.64) | (356.90) |
| Net cash flow from/(used in) operating activities (A) | 41,908.16 | 29,580.49 |
| B. Cash flow from investing activities | | |
| Payments for Property, Plant and Equipments, Investment Properties and intangible assets including under development | (576.52) | (5,399.89) |
| Proceeds from sale of Property, Plant and Equipments, intangible assets and investment property | 11.62 | 94.65 |
| (Increase)/decrease in bank balances not considered as cash and cash equivalents: | | |
| - Placed during the year | (315.77) | (213.97) |
| - Matured during the year | 168.77 | 874.28 |
| Purchase of non-current investments | | |
| - Others | (666.62) | (892.00) |
| Redemption/Sale of non-current investments | | |
| - Others | - | 10.50 |
| Interest received | 1,020.31 | 365.13 |
| Net cash flow from/(used in) investing activities (B) | (358.21) | (5,161.30) |
| C. Cash flow from financing activities | | |
| Interest paid | (17,810.59) | (20,122.59) |
| Proceeds from / (repayment of) working capital borrowings | (979.06) | (1,413.41) |
| Proceeds from other short-term borrowings | 800.00 | - |
| Repayment of other short-term borrowings | (22,894.53) | (508.35) |
| Repayment of long-term borrowings | (1,102.08) | (2,669.04) |
| Net cash flow from/(used in) financing activities (C) | (41,986.26) | (24,713.39) |
| D. Net increase/(decrease) in Cash and cash equivalents (A+B+C) | (436.31) | (294.20) |
| E. Cash and cash equivalents at the beginning of the year | 666.91 | 961.11 |
| F. Cash and cash equivalents at the end of the year | 230.60 | 666.91 |



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AUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2023

Rs. in lakhs

| Particulars | Year ended | |
|--|--------------------|--------------------|
| | 31.03.2023 | 31.03.2022 |
| A. Cash flow from operating activities | | |
| Profit/(loss) before tax (including OCI) | (65,225.13) | (48,893.04) |
| -Adjustments for: | | |
| Depreciation and amortisation expense | 6,612.64 | 5,887.59 |
| Foreign currency translation reserve | 45.12 | (8.02) |
| Loss/(Profit) on sale of property, plant and equipment (net) / asset transfer | (9.56) | (89.24) |
| Profit on sale of non-current investments/Loss on trf of control | 1.50 | (7.45) |
| Finance costs | 44,462.94 | 50,586.47 |
| Interest income | (1,199.72) | (629.12) |
| Interest income on income tax refunds | (107.08) | (0.18) |
| Excess provisions written back | (2,194.24) | (304.10) |
| Provision for doubtful debts | 1,155.40 | |
| Exceptional item | 12,437.87 | - |
| -Operating profit/(loss) before working capital changes | (4,020.26) | 6,542.91 |
| Movement in working capital: | | |
| -Adjustments for (increase)/decrease in operating assets: | | |
| Inventories | 25,854.29 | 71,124.76 |
| Trade receivables | 2,059.55 | 4,357.78 |
| Loans - current | 886.23 | 1,383.08 |
| Other financial assets - non current | 897.80 | (13,826.25) |
| Other financial assets - current | (1,005.86) | 13,988.28 |
| Other assets - non current | 1,788.74 | 3,437.77 |
| Other assets - current | 878.35 | 3,307.04 |
| -Adjustments for increase/(decrease) in operating liabilities: | | |
| Trade payables | 971.69 | 697.67 |
| Other financial liabilities - non current | 43,189.42 | (408.60) |
| Other financial liabilities - current | (25,042.20) | 17,303.21 |
| Other liabilities - non current | (3,045.04) | (946.82) |
| Other liabilities - current | 1,600.66 | (56,094.20) |
| Lease Liability - Non Current | (7,411.58) | 5,767.15 |
| Lease Liability - Current | (722.14) | (1,684.37) |
| Provisions - non current | 24.71 | (3.84) |
| Provisions - current | (19.02) | (43.81) |
| -Cash generated from/(used in) operations | 36,885.34 | 54,901.76 |
| Income taxes paid (net) | 540.89 | 127.06 |
| Net cash flow from/(used in) operating activities (A) | 37,426.23 | 55,028.82 |
| B. Cash flow from investing activities | | |
| Purchase of tangible and intangible assets | (4,961.63) | - |
| Proceeds from sale of tangible and intangible assets | 9.56 | 2,933.52 |
| (Increase)/decrease in bank balances not considered as cash and cash equivalents | (2,170.80) | 321.07 |
| Purchase of non-current investments | - | - |
| Purchase of shares from Non controlling Interest | - | - |
| Redemption/sale of non-current investments | - | 11.31 |
| Interest received | 1,252.26 | 663.19 |
| Net cash flow from/(used in) investing activities (B) | (5,870.61) | 3,929.09 |
| C. Cash flow from financing activities | | |
| Interest paid | (21,724.73) | (55,669.80) |
| Contribution of Non Controlling Interest | 7,466.92 | - |
| Proceeds from / (repayment of) working capital borrowings | 437.76 | - |
| Proceeds from /(repayments of) other short-term borrowings | (17,113.82) | (1,314.19) |
| Proceeds from /(repayments of) long-term borrowings | (1,573.57) | (3,772.17) |
| Net cash flow from/(used in) financing activities (C) | (32,507.44) | (60,756.16) |
| D. Net increase/(decrease) in Cash and cash equivalents (A+B+C) | (951.82) | (1,798.25) |
| E. Cash and cash equivalents at the beginning of the year | 2,478.77 | 4,277.02 |
| F. Cash and cash equivalents at the end of the year | 1,526.95 | 2,478.77 |

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Notes to Standalone and Consolidated audited financial results for the quarter and year ended 31 March, 2023

1. The above audited Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 31 August, 2023.
2. As the Company has only one operating segment, disclosure under Ind AS 108 on "Operating Segments" is not applicable.
3. The Company is developing a BOT project as per the terms of concession agreement with DMRC. Due to delays in payments to DMRC, DMRC has issued a letter for termination of the contract. The Company has invoked clause 12.2.2 of the concession agreement for conveying amicable meeting with DMRC for amicable settlement of the dispute, however the same was denied by DMRC. Subsequently, a notice dated 30 June, 2023 invoking arbitration in terms of Clause 12.3 of the Concession Agreement has been sent to DMRC. In the opinion of the management, the amount of Rs. 22,156.22 lakhs appearing as Asset held for sale in the Standalone financial results and amount of Rs. 22,156.22 lakhs appearing as Intangible assets under development in the Consolidated financial results is fully realisable from future operations. On the basis of legal opinion, management is of the view that matter will be decided in favour of the company as the company has a strong case against DMRC due to various defaults on the part of DMRC.
4. In case of one of BOT project, construction activities had to be suspended as per the instructions of the DMRC. Consequently, the construction activities could not be restarted due to DMRC's inability to provide necessary clarifications 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. Arguments have been concluded and the matter is reserved for award. On the basis of legal opinion received, the management is of the view that Company has a favourable case and has considered the intangible assets under development of Rs. 14,032.51 lakhs as on 31.03.2023 as fully recoverable.
5. The Company had entered into an 'Assignment of Development Rights Agreement' dated 28 December, 2010 with a wholly owned subsidiary of the company (subsidiary company), and Collaborators (land owners) in terms of which the Company had assigned Development Rights of one of its project to subsidiary company on terms and conditions contained therein. The project has been delayed owing to hindrances created by the collaborators (land owners) leading to non-receipt of approvals for the revised building plans. As a result, certain disputes arose with the collaborators (land owners) who sought cancellation of the Development Agreement and other related agreements and have taken legal steps in this regard. The Ld. Sole Arbitrator pronounced the Arbitral Award on 18 April, 2023 and has partly allowed the claim of PBPL and also counter-claims of the land owners. The Ld. Sole Arbitrator also restored the physical possession of the Project Land in favour of the land owners subject to payment of all amounts awarded under the Award to the subsidiary company.

Subsidiary company has filed the appeal with Commercial Court challenging the Award by filing objections under Section 34 of the Arbitration and Conciliation Act, 1996 on 18.08.2023. Based on legal opinion obtained, the management is of the view that termination of the agreement will be set aside and project will be restated, therefore, there is no requirement for making provision in the value of investment of Rs. 21,076.47 lakhs made in and loan of Rs. 2,631.93 lakhs given to the subsidiary company appearing in the Standalone financial results and value of Inventory of Rs. 28,585.82 lakhs appearing in the Consolidated financial results.

6. In respect of debentures issued and other borrowings, one of the lender group, had approved the settlement proposal, subject to payment of negotiated dues by the company till 31 March, 2023. The Company could make only partial payments to these negotiated dues and default occurred. The company is in the process of renegotiating fresh settlement terms. The company is confident of achieving this settlement / renegotiation by payment of settled dues and transfer of 0.01 % Optionally convertible Debentures (OCDs) of Rs. 37,500.00 lakhs, lying as investment at full value. Pending formalisation of such settlement/renegotiation, the company has recognised interest expenses of Rs. 12,567.94 lakhs (including Rs. 5,585.75 lakhs for the year ended 31 March, 2023) in standalone financial results and Rs. 16,948.94 lakhs in consolidated financial results and impairment loss of Rs. 21,300.00 lakhs in the value of investment OCDs on account of failure of earlier terms as exceptional item. Based amount of investment in OCDs amounting Rs. 16,200.00 lakhs has been considered as recoverable.
7. In respect of loan taken by the company from two lenders, the company along with its subsidiary companies have entered into settlement agreement with the lenders. As per the terms of settlement the Company has paid the amount/instalment to the lenders and interest/principal reversal of Rs. 25,811.07 lakhs has been credited as Exceptional items in the statement of Profit and Loss and Rs. 4,244.63 lakhs towards interest accrued has been adjusted with project's work in progress.
8. 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 Rs. 14,602.00 lakhs. The matter is decided against the company by Hon'ble Sole Arbitrator and Additional District Judge cum MACT, Chandigarh. The matter is now pending before the Hon'ble Punjab & Haryana High Court at Chandigarh and the proceedings are going on and matter is listed on 11.09.23 for final hearing. Pending decision of the Hon'ble Punjab & Haryana High Court, based on the legal advice received, the management is hopeful for recovery and the amount of Rs. 14,046.91 lakhs (net of tax deducted at source) has been shown as recoverable and included under 'Other Non-Current financial assets'.

Signature



Notes to Standalone and Consolidated audited financial results for the quarter and year ended 31 March, 2023

9. The Subsidiary Company was awarded a Project for development of residential project at Sarai Rohilla, Delhi ('the Project') by Rail Land Development Authority (RLDA). Due to disputes regarding the Development Agreement, the Development Agreement got terminated and the Company invoked arbitration clause in the Development Agreement for recovery of amounts paid to RLDA together with interest thereon as well as for recompense for losses and damages, etc.

Based on the legal opinion, the management is of the opinion that loan of Rs. 11.50 lakhs given to PRLPL and investment of Rs. 1,145.00 lakhs in PRLPL as appearing in Standalone financial results and Rs. 6,442.62 lakhs included under 'Other Non-Current financial assets' as appearing in consolidated financial results is good and recoverable.

10. The Company had given an advance of Rs. 4,852.40 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 Rs. 4,775.00 lakhs with 'Chandigarh Administration' (CA) for acquiring development rights in respect of a plot of land measuring 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, PFCL invoked the arbitration clause for seeking refund of the allotment money paid along with compensation, cost incurred and interest thereon. The Arbitral Panel had decided the matter in favour of PFCL and awarded refund of Rs. 4,919.00 lakhs along with interest. Subsequently, the CA filed a petition before the Additional District Judge at Chandigarh for setting aside the award which was dismissed by the Hon'ble Additional District Judge. In the meantime, CA filed an appeal 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 decided that CA is entitled to cumulatively claim/recover an amount of Rs. 8,746.60 lakhs from PFCL due to failure to develop the site and adhere to the terms of the agreements. PFCL has 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. The next date of hearing is not fixed. Considering the above and based on legal opinion, the management is hopeful for recovery and the amount of Rs. 4,817.40 lakhs as appearing in standalone financial results and Rs. 4,825.84 lakhs appearing in consolidated financial results has been shown as recoverable and included under 'Other Non-Current financial assets.'

11. In case of Parsvnath HB Projects Private Limited (PHBPPL), a subsidiary of the company, was allotted a land by Punjab Small Industrial & Exports Corporation Limited (PSIEC) on freehold basis. Due to non payment of instalment, PSIEC cancelled the allotment of land and the company filed the arbitration petition against cancellation of allotment. The arbitration proceedings are under progress. The matter was listed on 10.07.23 and next date of hearing is not fixed.

In the meantime, PSIEC initiated the proceedings under Public Properties (Eviction and Unauthorised occupants) Act. The order was passed by appropriate authority to hand over the possession of the site and accordingly PSIEC has taken symbolic possession of the land. The eviction petition was filed by PSIEC for determination of damages and the company is contesting the matter on the ground that eviction petition is not maintainable as the arbitration proceeding are under progress. Based on the opinion of the legal counsel, the management is of the view that as there are lapses on the part of PSIEC in providing facilities as promised at the time of bid, the company has good chances that the company will succeed in arbitration proceedings and cancellation of allotment will be set aside. Accordingly, on the basis of legal opinion, management is of the view that loan of Rs. 6,635.71 lakhs given to PHBPPL and investment of Rs. 2.50 lakhs in PHBPPL appearing in Standalone financial results and value of inventory of Rs. 14,742.35 lakhs appearing in Consolidated financial results is good and recoverable.

12. Greater Noida Authority has cancelled the allotment of two housing plots situated at Greater Noida on which the Company was constructing the Projects vide letter dated 23.11.2022 on account of non-payment of premium and interest thereon amounting to Rs. 28,128 lakhs. The Company has filed two separate Revision Petitions under Section 41(3) of the Uttar Pradesh Urban Planning and Development Act, 1976 challenging the cancellation order dated 23.11.2022 which were listed on 13.07.2023 before Additional Chief Secretary, Infrastructure and Industrial Department for arguments and the same was reserved for Order. Further, vide Order dated 03.04.2023, the High Court of Judicature at Allahabad, Lucknow Bench has restrained the Authority from creating any third party rights in the said plots. In the opinion of management, the Company would be able to restore the allotment of plots from Greater Noida Authority and the cancellation of the plots will not have an impact on the value of inventory of Rs. 16,142.93 lakhs and Rs. 57,275.37 lakhs for the said plots respectively as on 31.03.2023.

13. The Company has incurred cash losses during the current year and previous year. Due to recession in the past in the real estate sector owing to slowdown in demand, the company faced lack of adequate sources of finance to fund execution and completion of its ongoing projects resulting in delayed realisation from its customers. The company is facing tight liquidity situation as a result of which there have been delays/defaults in payment to lenders, statutory liabilities, salaries to employees and other dues. However, considering substantial improvement in real estate sector recently, the Management is of the opinion that all such issues will be resolved in due course by required finance through alternate sources, including sale of non-core assets.

14. The Company has recognised deferred tax assets on its unabsorbed depreciation and business losses carried forward till financial year 2019-20. The Company has executed flat / plot sale agreements with the customers against which the Company has also received advances. 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. The company is also planning to sell some of its identified assets.



PARSVNATH DEVELOPERS LIMITED

Regd. & Corporate Office: Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi - 110 032, committed to build a better world

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Parsvnath

Notes to Standalone and Consolidated audited financial results for the quarter and year ended 31 March, 2023

15. The figures of the quarter ended 31 March, 2023 and 31 March, 2022 are the balancing figures between audited figures in respect of the full financial year and the year to date figures upto the third quarter.

16. Figures for the previous quarter / year have been regrouped, wherever necessary, for the purpose of comparison.

For and on behalf of the Board

Place: Delhi

Date: 31 August, 2023


Pradeep Kumar Jain
Chairman
DIN: 00333486





Independent Auditor's Report on Standalone Financial Results of the Parsvnath Developers Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

**TO THE BOARD OF DIRECTORS OF
Parsvnath Developers Limited**

Report on the Audit of Standalone Financial Results

Qualified opinion

1. We have audited the accompanying standalone financial results of Parsvnath Developers Limited ('the Company') for the quarter and year ended March 31, 2023 (the "Standalone financial results"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial results:
 - i. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, except for the indeterminate effects/possible effects of the matters referred in Basis for Qualified Opinion paragraph below; and
 - ii. gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2023, except for the indeterminate effects/possible effects of the matters referred in Basis for Qualified Opinion paragraph below
3. **Basis of Qualified Opinion**
We draw your attention to following notes of the standalone financial statements:

- a. Note No 3 which states that:
In case of one BOT project, due to delays in payments as per concession agreement to Delhi Metro Rail Corporation (DMRC), DMRC had terminated the contract. The Company has sent a notice dated 30th June 2023 invoking arbitration. The management is of the opinion that Company has a favourable case and has considered Rs. 22,156.22 lakhs appearing as 'Asset held for Sale', related with this project as fully realisable.

Considering the uncertainty towards the project and also towards the amount to be received, pending arbitration proceedings, we are unable to comment on the resultant impact of the same on these standalone financial results.

- b. Note No 5 which states that:
The Company had entered into an 'Assignment of Development Rights Agreement' dated 28 December, 2010 with a wholly owned subsidiary company (subsidiary company) of the company and Collaborators (land owners) in terms of which the Company had assigned Development Rights of one of its project to subsidiary company





on terms and conditions contained therein. The project has been delayed and certain disputes arose with the collaborators (land owners) who sought cancellation of the Development Agreement and other related agreements and have taken legal steps in this regard. The Ld. Sole Arbitrator pronounced the Arbitral Award on 18th April 2023 and restored the physical possession of the Project Land in favour of the land owners, subject to payment of Rs. 1,570.91 lakhs along with interest as awarded under the Arbitral Award to subsidiary company. The subsidiary company has filed an appeal with the Commercial Court challenging the Arbitration Award on 19th August, 2023. The management is of the view that the termination of the agreement will be set aside and the project will be restored. Hence, the company has not considered making any provision towards investment of Rs. 21076.47 Lakhs made in subsidiary company and loan of Rs. 2631.93 lakhs given to subsidiary company.

Considering the uncertainty in restoration of the project and ultimate recovery towards investment and loans as the matter is sub-judice, we are unable to comment on the resultant impact of the same on these standalone financial results.

c. Note No 11 which states that:

A subsidiary of the company, Parsvnath HB Projects Private Limited (PHBPPL) was allotted a land by Punjab Small Industrial & Exports Corporation Limited (PSIEC). Due to non payment of instalment, PSIEC cancelled the allotment of land and the company filed the arbitration petition as there were lapses on the part of PSIEC. The arbitration proceedings are under progress. Pending arbitration proceedings, the management is of the opinion that the company has favourable chances of succeeding in arbitration proceedings and cancellation of allotment will be set aside. Accordingly, loan of Rs. 6635.71 lakhs given to PHBPPL and investment of Rs. 2.50 lakhs in PHBPPL is considered as good and recoverable.

Considering the uncertainty due to pending arbitration proceedings, we are unable to comment on the resultant impact of the same on these standalone financial results.

d. Note No 6 which states that:

The Company has invested Rs. 37500 Lakhs in 0.01 % Optionally convertible Debentures (OCDs) which are due for redemption on 31st March 2029. The company is under discussion with lenders for transfer of these OCDs towards of settlement of loan for which formal approval is pending. Based on the estimates, the management has accounted for the impairment loss of Rs. 21300 lakhs and balance Rs. 16200 lakhs has been considered as recoverable.

Pending formal approval of settlement of loans from lenders, we are unable to comment on recoverability of investment in OCDs on these standalone financial results.

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 results' 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 results, 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 Code of Ethics. We believe





that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our qualified opinion.

4. Emphasis of matter

a. Note No 4 which states that:

In case of another BOT project, construction activities was suspended as per the instructions of the DMRC. The Company had invoked the Arbitration clause under the concession agreement and the proceedings have been completed on 30th May 2022 and the Order is reserved. The management is of the opinion that Company has a favourable case and has considered the intangible assets under development of Rs. 14,032.51 lakhs as on 31st March 2023 as fully recoverable.

b. Note No 8 which states that:

The Company had entered into a Development Agreement (DA) with Chandigarh Housing Board (CHB). Owing to disputes, the Company had invoked the arbitration and the arbitral award was issued. Due to computational error in the award, the awarded amount was deficient by approximately Rs. 14,602 lakhs. The matter was decided against the company by Hon'ble Sole Arbitrator and Additional District Judge cum MACT, Chandigarh. The matter is now pending before the Hon'ble Punjab & Haryana High Court at Chandigarh and the proceedings are going on and matter is listed on 11.09.23. Pending decision of the High Court, the management is hopeful for recovery and Rs. 14,046.91 lakhs has been shown as recoverable and included under 'Other Non-Current financial assets'.

c. Note No 10 which states that:

Parsvnath Film City Limited (PFCL), a wholly owned Subsidiary of the company, had deposited Rs. 4775.00 Lakhs with Chandigarh Administration (CA) for development of one Project. Since CA could not handover the possession of the said land to PFCL, PFCL invoked the arbitration clause for seeking refund of the allotment money which has decided the matter in favour of PFCL. Subsequently, The Hon'ble Punjab & Haryana High Court decided that CA is entitled to cumulatively claim/recover an amount of Rs. 8,746.60 lakhs from PFCL. PFCL has filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court of India. The management is hopeful for recovery and the amount of Rs. 4817.40 Lakhs has been shown as recoverable and included under 'Other Non-Current financial assets.'

d. Note No 12 which states that:

Greater Noida Authority has cancelled the allotment of two housing plots in Greater Noida on which the Company was constructing the Projects namely Palacia & Privilege vide letter dated 23.11.2022 on account of non-payment of premium and interest thereon amounting to Rs. 28,128 lakhs. The Company has filed two separate Revision Petitions under Section 41(3) of the Uttar Pradesh Urban Planning and Development Act, 1976 challenging the cancellation order dated 23.11.2022 which were listed on 13.07.2023 before appropriate authority for arguments and mater is pending. Further, vide Order dated 03.04.2023, the High Court at Allahabad, Lucknow Bench has





restrained the Authority from creating any third party rights in these 2 Plots. In the opinion of management, the Company would be able to restore the allotment of plots from Greater Noida Authority and the cancellation of the plots will not have an impact on the value of inventory of 16,142.93 lakhs and Rs. 57,275.37 lakhs for Palacia & Privilege projects respectively as on 31.03.2023.

e. Note No 6 and 7 which states that:

The company has provided the exceptional loss of Rs. 33867.94 Lakhs on account of impairment loss of OCDs and recognition of interest on loans due to non fulfilment of settlement agreement. Further, an exceptional gain of Rs. 25811.07 Lakhs has been recognised towards waiver of interest on settlement of loans. Net loss of Rs. 8056.87 lakhs has been disclosed as exceptional items in the standalone financial results.

Our opinion is not modified in respect of these matters

5. Material uncertainty related to going concern

We draw your attention to note 13 of the financial results which states that the Company has incurred cash losses during the current year and during the previous year. Due to recession in the past in the real estate sector owing to slowdown in demand, the Company faced lack of adequate sources of finance to fund execution and completion of its ongoing projects resulting in delayed realisation from its customers. 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. However, considering the substantial improvement in real estate sector recently, the management is of the view that all above issues will be resolved in due course by arrangement of required finance through alternate sources, including sale of non-core assets to overcome this liquidity crunch.

Considering the indeterminate impact of the matters under litigation, uncertainty exist that may cast significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

6. Board of Director's Responsibilities for the Standalone financial results

These Standalone financial results have been prepared on the basis of the annual audited financial statement and has been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the preparation and presentation of the Standalone financial results that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 judgements 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 results that gives 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 Standalone financial results by the Directors of the Company, as aforesaid.

In preparing the Standalone financial results, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

7. Auditor's Responsibilities for the Audit of the Standalone financial results

Our objectives are to obtain reasonable assurance about whether the standalone Financial Results 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 high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, 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 this Standalone financial results.

As a part of an audit in accordance with Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone financial results, 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 in place adequate internal financial controls with reference to financial statement 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 the Board of Directors.





- Conclude on the appropriateness of the Board of Directors 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 Company 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 results 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. The material uncertainty with regard to Going Concern is reported in Para 5 of our report.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.

We communicate with those charged with governance of the Company 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.

8. Other Matters

The Standalone financial results include the results for the March 31, 2023 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the financial year.

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028



Aashish Gupta
(Partner)

Membership No. : 097343

UDIN: 23097343 B6 8J8J4323

Date: Delhi

Place: 31.08.2023



Independent Auditor's Report on Consolidated Financial Results of the Parsvnath Developers Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

**To the Board of Directors of
PARSVNATH DEVELOPERS LIMITED**

Report on the Audit of Consolidated Financial Results

1. Qualified Opinion

We have audited the accompanying Consolidated Financial Results of Parsvnath Developers Limited ("the Holding Company"), its subsidiaries and Limited Liability Partnership in which holding company is partner (Holding Company, its subsidiaries and Limited Liability Partnership in which holding company is partner together referred to as "the Group"), and its share of the net loss after tax and total comprehensive loss of its associates for the year ended 31 March, 2023 included in the accompanying Statement of 'Consolidated Financial Results for the quarter and year ended 31 March, 2023 ("the Statement" or "Consolidated Financial Results"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

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 audited financial statements of the subsidiaries, Limited Liability Partnership firm and associates referred to in Other Matters section below, the Statement:

- i. include the annual financial results of the entities listed in **Annexure** to this report.
- ii. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- iii. give a true and fair view in conformity with the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India, of the consolidated net loss and consolidated total comprehensive loss and other financial information of the Group for the year ended 31 March, 2022 except for the indeterminate effects/possible effects of the matters referred in Basis for Qualified Opinion paragraph below:

2. Basis for Qualified Opinion

- a. Note No 3 which states that:

In case of one BOT project, due to delays in payments as per concession agreement to Delhi Metro Rail Corporation (DMRC), DMRC had terminated the contract. The Company has sent a notice dated 30th June 2023 invoking arbitration. The management is of the opinion that Company has a favourable case and has considered Rs. 22,156.22 lakhs appearing as 'Intangible Assets under development, related with this project as fully realisable.





Considering the uncertainty towards the project and also towards the amount to be received, pending arbitration proceedings, we are unable to comment on the resultant impact of the same on these Consolidated financial results.

b. Note No 5 which states that:

The Holding Company had entered into an 'Assignment of Development Rights Agreement' dated 28 December, 2010 with a wholly owned subsidiary company (subsidiary company) of the company and Collaborators (land owners) in terms of which the Company had assigned Development Rights of one of its project to subsidiary company on terms and conditions contained therein. The project has been delayed and certain disputes arose with the collaborators (land owners) who sought cancellation of the Development Agreement and other related agreements and have taken legal steps in this regard. The Ld. Sole Arbitrator pronounced the Arbitral Award on 18th April 2023 and restored the physical possession of the Project Land in favour of the land owners, subject to payment of Rs. 1,570.91 lakhs along with interest as awarded under the Arbitral Award to subsidiary company. The subsidiary company has filed an appeal with the Commercial Court challenging the Arbitration Award on 19th August, 2023. The management is of the view that the termination of the agreement will be set aside and the project will be restored. Hence, the Group has not considered making any provision towards value of inventory of Rs. 28,585.82 Lakhs.

Considering the uncertainty in restoration of the project and ultimate recovery towards value of inventory as the matter is sub-judice, we are unable to comment on the resultant impact of the same on these Consolidated financial results.

c. Note No 11 which states that:

A subsidiary of the Holding company, Parsvnath HB Projects Private Limited (PHBPPL) was allotted a land by Punjab Small Industrial & Exports Corporation Limited (PSIEC). Due to non payment of instalment, PSIEC cancelled the allotment of land and the PHBPPL filed the arbitration petition as there were lapses on the part of PSIEC. The arbitration proceedings are under progress. Pending arbitration proceedings, the management is of the opinion that the Group has favourable chances of succeeding in arbitration proceedings and cancellation of allotment will be set aside. Accordingly, no impairment is required in the value of inventory of Rs. 14742.35 lakhs hold by PHBPPL.

Considering the uncertainty due to pending arbitration proceedings, we are unable to comment on the resultant impact of the same on these Consolidated financial results.

d. Note No 6 which states that:

The holding Company has invested Rs. 37500 Lakhs in 0.01 % Optionally convertible Debentures (OCDs) which are due for redemption on 31st March 2029. The company is under discussion with lenders for transfer of these OCDs towards of settlement of loan for which formal approval is pending. Based on the estimates, the management has accounted for the impairment loss of Rs. 21300 lakhs and in the opinion of the management, balance Rs. 16200 lakhs is recoverable.





Pending formal approval of settlement of loans from lenders, we are unable to comment on recoverability of investment in OCDs on these Consolidated financial results.

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 Statement* section of our report. We are independent of the Group and its associates 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 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 obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion.

3. Emphasis of Matters Paragraph

We draw attention to the following matters:

a. Note No 4 which states that:

In case of another BOT project, construction activities was suspended as per the instructions of the DMRC. The Company had invoked the Arbitration clause under the concession agreement and the proceedings have been completed on 30th May 2022 and the Order is reserved. The management is of the opinion that Group has a favourable case and has considered the intangible assets under development of Rs. 14,032.51 lakhs as on 31st March 2023 as fully recoverable.

b. Note No 8 which states that:

The Holding Company had entered into a Development Agreement (DA) with Chandigarh Housing Board (CHB). Owing to disputes, the Holding Company had invoked the arbitration and the arbitral award was issued. Due to computational error in the award, the awarded amount was deficient by approximately Rs. 14,602 lakhs. The matter was decided against the Holding company by Hon'ble Sole Arbitrator and Additional District Judge cum MACT, Chandigarh. The matter is now pending before the Hon'ble Punjab & Haryana High Court at Chandigarh and the proceedings are going on and matter is listed on 11.09.23. Pending decision of the High Court, the management is hopeful for recovery and Rs. 14,046.91 lakhs has been shown as recoverable and included under 'Other Non-Current financial assets'.

c. Note No 10 which states that:

Parsvnath Film City Limited (PFCL), a wholly owned Subsidiary of the Holding company, had deposited Rs. 4775.00 Lakhs with Chandigarh Administration (CA) for development of one Project. Since CA could not handover the possession of the said land to PFCL, PFCL invoked the arbitration clause for seeking refund of the allotment money which was decided the matter in favour of PFCL. Subsequently, The Hon'ble Punjab & Haryana High Court decided that CA is entitled to cumulatively claim/recover an amount of Rs. 8,746.60 lakhs from PFCL. PFCL has filed a Special Leave Petition (SLP) before the





Hon'ble Supreme Court of India. The management is hopeful for recovery and the amount of Rs. 4825.84 Lakhs has been shown as recoverable and included under 'Other Non-Current financial assets.'

d. Note No 12 which states that:

Greater Noida Authority has cancelled the allotment of two housing plots in Greater Noida on which the holding Company was constructing the Projects namely Palacia & Privilege vide letter dated 23.11.2022 on account of non-payment of premium and interest thereon amounting to Rs. 28,128 lakhs. The Company has filed two separate Revision Petitions under Section 41(3) of the Uttar Pradesh Urban Planning and Development Act, 1976 challenging the cancellation order dated 23.11.2022 which were listed on 13.07.2023 before appropriate authority for arguments and matter is pending. Further, vide Order dated 03.04.2023, the High Court at Allahabad, Lucknow Bench has restrained the Authority from creating any third party rights in these 2 Plots. In the opinion of management, the Company would be able to restore the allotment of plots from Greater Noida Authority and the cancellation of the plots will not have an impact on the value of inventory of 16,142.93 lakhs and Rs. 57,275.37 lakhs for Palacia & Privilege projects respectively as on 31.03.2023.

e. Note No 6 and 7 which states that:

The company has provided the exceptional loss of Rs. 38,248.94 Lakhs on account of impairment loss of OCDs and recognition of interest on loans due to non fulfilment of settlement agreement. Further, an exceptional gain of Rs. 25811.07 Lakhs has been recognised towards waiver of interest on settlement of loans. Net loss of Rs. 12437.87 lakhs has been disclosed as exceptional items in the Consolidated financial result.

Our opinion is not modified in respect of these matters

4. Material uncertainty related to going concern

We draw your attention to note 13 of the financial results which states that the Group has incurred cash losses during the current year and during the previous year. Due to recession in the past in the real estate sector owing to slowdown in demand, the Group faced lack of adequate sources of finance to fund execution and completion of its ongoing projects resulting in delayed realisation from its customers. 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. However, considering the substantial improvement in real estate sector recently, the management is of the view that all above issues will be resolved in due course by arrangement of required finance through alternate sources, including sale of non-core assets to overcome this liquidity crunch.

Considering the indeterminate impact of the matters under litigation, uncertainty exist that may cast significant doubt on the Group's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.





5. Management's Responsibilities for the Statement

This Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Results that give a true and fair view of the consolidated net loss and consolidated total comprehensive loss and other financial information of the Group including its associates in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associates 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 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 Consolidated Financial Results 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 Financial Results by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors 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 are responsible for overseeing the financial reporting process of the Group and of its associates.

6. Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results 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 Financial Results.

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





- Identify and assess the risks of material misstatement of the Consolidated Financial Results, 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 controls 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 with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors 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 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 Statement 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group and its associates to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Consolidated Financial Results, which have been audited by 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Results 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.





7. Other Matters

- a. The consolidated financial results includes audited Financial Results of forty six subsidiaries whose audited Financial Statements reflects total assets (before eliminating intra-group transactions) of Rs. 27803.37 lakhs as at 31 March, 2023, total revenue (before eliminating intra-group transactions) of Rs. 6179.05 lakhs and Rs. 6186.09 lakhs for the quarter and year ended 31 March, 2023 respectively, net loss after tax of Rs. 284.72 lakhs and Rs. 203.56 lakhs for the quarter and year ended 31 March, 2023 respectively and total comprehensive loss of Rs. 284.72 lakhs and Rs. 203.56 lakhs for the quarter and year ended 31 March, 2023 respectively and net cash inflow of Rs. 63.97 lakhs for the year ended 31 March, 2023, as considered in the Consolidated Financial Results.
- b. The consolidated financial results also include the Group's share of net loss after tax of Rs. 206.60 lakhs and Rs. 206.33 lakhs for the quarter and year ended 31 March, 2023 respectively and total comprehensive loss of Rs. 206.60 lakhs and Rs. 206.33 lakhs for the quarter and year ended 31 March, 2023 respectively, as considered from audited financial results in these consolidated financial results, in respect of two associates.
- c. The consolidated financial results includes audited Financial Results of one Limited Liability Partnership firm whose audited Financial Statements reflects total assets (before eliminating intra-group transactions) of Rs. 68560.93 lakhs as at 31 March, 2023, total revenue (before eliminating intra-group transactions) of Rs. Nil and Rs. Nil for the quarter and year ended 31 March, 2023 respectively, net profit after tax of Rs. 0.13 lakhs and Rs. 0.52 lakhs for the quarter and year ended 31 March, 2023 respectively and total comprehensive loss of Rs. 0.13 lakhs and Rs. 0.52 lakhs for the quarter and year ended 31 March, 2023 respectively and net cash inflows of Rs. 254.30 lakhs for the year ended 31 March, 2023, as considered in the Consolidated Financial Results. Our opinion on the Consolidated Financial Results is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditor.
- d. The Consolidated financial results include the results for the March 31, 2023 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the financial year.

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028



Aashish Gupta
(Partner)

Membership No. : 097343

UDIN: 23097343 B68JQL5545

Date: 31.08.2023

Place: Delhi



ANNEXURE

Annexure to the Independent Auditor's Report on Consolidated Financial Results of Parsvnath Developers Limited for the year ended 31 March, 2023

Subsidiary Companies

1. Parsvnath Infra Limited
2. Parsvnath Film City Limited
3. Parsvnath Landmark Developers Private Limited
4. Parsvnath Hotels Limited
5. PDL Assets Limited
6. Parsvnath Estate Developers Private Limited
7. Parsvnath Promoters and Developers Private Limited
8. Parsvnath Hessa Developers Private Limited
9. Parsvnath Buildwell Private Limited
10. Parsvnath Realty Ventures Limited
11. Parsvnath Realcon Private Limited
12. Parsvnath Rail Land Project Private Limited
13. Jarul Promoters and Developers Private Limited
14. Suksma Buildtech Private Limited
15. Parsvnath MIDC Pharma SEZ Private Limited
16. Parsvnath HB Projects Private Limited
17. Farhad Realtors Private Limited
18. Parsvnath Developers Pte. Ltd, Singapore
19. Snigdha Buildwell Private Limited
20. Evergreen Realtors Private Limited
21. Generous Buildwell Private Limited
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. Banita Buildcon Private Limited
29. Bliss Infrastructure Private Limited
30. Brinly Properties Private Limited
31. Coral Buildwell Private Limited
32. Dai Real Estates Private Limited
33. Dhiren Real Estates Private Limited





34. Elixir Infrastructure Private Limited
35. Emerald Buildwell Private Limited
36. Gem Buildwell Private Limited
37. Himsagar Infrastructure Private Limited
38. Jaguar Buildwell Private Limited
39. Label Real Estates Private Limited
40. Lakshya Realtors Private Limited
41. LSD Realcon Private Limited
42. Mirage Buildwell Private Limited
43. Navneet Realtors Private Limited
44. Neelgagan Realtors Private Limited
45. New Hind Enterprises Private Limited
46. Paavan Buildcon Private Limited
47. Perpetual Infrastructure Private Limited
48. Prosperity Infrastructures Private Limited
49. Rangoli Infrastructure Private Limited
50. Samiksha Realtors Private Limited
51. Sapphire Buildtech Private Limited
52. Silversteet Infrastructure Private Limited
53. Spearhead Realtors Private Limited
54. Springdale Realtors Private Limited
55. Stupendous Buildtech Private Limited
56. Sumeru Developers Private Limited
57. Trishla Realtors Private Limited
58. Vital Buildwell Private Limited
59. Yamuna Buildwell Private Limited
60. Vardaan Buildtech Private Limited

Limited Liability Partnership firm wherein control is with the Holding Company

1. Unity Parsvnath LLP

Associates

1. Amazon India Limited
2. Homelife Real Estate Private Limited

