

**PARSVNATH PROMOTERS AND DEVELOPERS PRIVATE LIMITED**  
**BALANCE SHEET AS AT 31 MARCH, 2021**

	Notes	As at 31-March-21 Rs. in lakhs	As at 31-March-20 Rs. in lakhs
<b>Assets</b>			
<b>1. Current assets</b>			
a. Financial assets			
i. Cash and cash equivalents	3	2.00	2.04
ii. Other financial assets	4	357.83	357.83
b. Other current assets	5	831.53	831.53
Total current assets		<u>1,191.36</u>	<u>1,191.40</u>
<b>Total assets</b>		<u>1,191.36</u>	<u>1,191.40</u>
<b>Equity and Liabilities</b>			
<b>1. Equity</b>			
a. Equity share capital	6	33.20	33.20
b. Other equity	7	1,152.86	1,157.47
Total Equity		<u>1,186.06</u>	<u>1,190.67</u>
<b>2. Liabilities</b>			
<b>Current liabilities</b>			
a. Financial liabilities			
i. Trade Payables	8		
a. Total outstanding dues of micro enterprises and small enterprises			
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		5.26	0.68
b. Other current liabilities	9	0.04	0.05
Total current liabilities		<u>5.30</u>	<u>0.73</u>
Total liabilities		<u>5.30</u>	<u>0.73</u>
<b>Total equity and liabilities</b>		<u>1,191.36</u>	<u>1,191.40</u>

See accompanying notes to the financial statements **1-27**

In terms of our report attached

**For S. N. Dhawan & Co. LLP**

Chartered Accountants

Firm's Registration No. 000050/N/500045

**Vinesh Jain**

Partner

Membership No. 087701

Place: Delhi

Date: 28 June, 2021



**For and on behalf of the Board of Directors**

**Rahul Kumar Srivastav**

Director

DIN:08250331

**P V Raman**

Director

DIN:06862390

**PARSVNATH PROMOTERS AND DEVELOPERS PRIVATE LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2021**

	Notes	Year ended 31 March, 2021	Year ended 31 March, 2020
		Rs. in lakhs	Rs.in lakhs
I Other income	10	-	7.15
II <b>Total income</b>		-	<b>7.15</b>
III <b>Expenses</b>			
a. Finance costs	11	0.02	48.33
b. Other expenses	12	4.59	1,573.66
<b>Total expenses (III)</b>		<b>4.61</b>	<b>1,621.99</b>
IV <b>Profit/(loss) before tax (II-III)</b>		<b>(4.61)</b>	<b>(1,614.84)</b>
V Tax expense/(benefit):		-	-
VI <b>Profit/(loss) for the year (IV - V)</b>		<b>(4.61)</b>	<b>(1,614.84)</b>
VII <b>Other comprehensive income</b>		-	-
VIII <b>Total comprehensive income for the year (VI + VII)</b>		<b>(4.61)</b>	<b>(1,614.84)</b>
IX Earnings per equity share (face value Rs. 10 per share)			
(1) Basic (in Rs.)	14	(1.39)	(486.40)
(2) Diluted (in Rs.)	14	(1.39)	(486.40)
See accompanying notes to the financial statements	<b>1-27</b>		

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**For S. N. Dhawan & Co. LLP**

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**P V Raman**

Director

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*Ramoon Elayath P.V.*

**PARSVNATH PROMOTERS AND DEVELOPERS PRIVATE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2021**

**a Equity Share Capital**

Particulars	Rs in lakhs
<b>Balance as at 31 March, 2019</b>	33.20
Changes in equity share capital during the year	-
<b>Balance as at 31 March, 2020</b>	33.20
Changes in equity share capital during the year	-
<b>Balance as at 31 March, 2021</b>	<b>33.20</b>

**b Other Equity**

Particulars	Reserves and Surplus		
	Securities premium reserve	Retained earnings	Total
	Rs in lakhs	Rs in lakhs	Rs in lakhs
<b>Balance as at 31 March, 2019</b>	<b>3,284.07</b>	<b>(511.76)</b>	<b>2,772.31</b>
Profit/(loss) for the year	-	(1,614.84)	(1,614.84)
Other comprehensive income for the year	-	-	-
<b>Balance as at 31 March, 2020</b>	<b>3,284.07</b>	<b>(2,126.60)</b>	<b>1,157.47</b>
Profit/(loss) for the year	-	-	-
Other comprehensive income for the year	-	(4.61)	(4.61)
<b>Balance as at 31 March, 2021</b>	<b>3,284.07</b>	<b>(2,131.21)</b>	<b>1,152.86</b>

See accompanying notes to the financial statements **1-27**

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

*Vinesh Jain*  
**Vinesh Jain**  
Partner  
Membership No. 087701



Place: Delhi  
Date: 28 June, 2021

**For and on behalf of the Board of Directors**

*Rahul Kumar Srivastav*  
**Rahul Kumar Srivastav**  
Director  
DIN:08250331

*P V Raman*  
**P V Raman**  
Director  
DIN:06862390

**PARSVNATH PROMOTERS AND DEVELOPERS PRIVATE LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2021**

	<b>Year ended 31 March, Rs.in lakhs</b>	<b>Year ended 31 March, Rs.in lakhs</b>
<b>A. Cash flows from operating activities</b>		
Profit/(loss) for the year	(4.61)	(1,614.84)
Finance cost recognised in statement of profit and loss	0.02	48.33
Adjustments for :		
	<u>(4.60)</u>	<u>(1,566.51)</u>
Movements in working capital:		
(Increase)/decrease in other financial assets	-	35,811.08
(Increase)/decrease in other current assets	-	(831.53)
Increase/(decrease) in trade payables	4.59	(2.92)
Increase/(decrease) in other current financial liabilities	-	(1.16)
Increase/(decrease) in other liabilities	<u>(0.01)</u>	<u>(821.91)</u>
<b>Cash generated from operations</b>	<u>(0.02)</u>	<u>32,587.04</u>
Income tax paid (net)	-	-
<b>Net cash from/(used in) operating activities</b>	<u>(0.02)</u>	<u>32,587.04</u>
<b>B. Cash flows from investing activities</b>		
<b>Net Cash (used in)/generated by investing activities</b>	<u>-</u>	<u>-</u>
<b>C. Cash flows from financing activities</b>		
Redemption of debentures		(27,476.39)
Finance cost paid	<u>(0.02)</u>	<u>(5,109.00)</u>
<b>Net Cash (used in)/generated by financing activities</b>	<u>(0.02)</u>	<u>(32,585.39)</u>
<b>D. Net increase in Cash and Cash equivalents (A+B+C)</b>	<b>(0.04)</b>	<b>1.66</b>
<b>Cash and cash equivalents at the beginning of the year</b>	2.04	0.38
<b>Cash and cash equivalents at the end of the year</b>	<u><b>2.00</b></u>	<u><b>2.04</b></u>

Notes:

- The statement of cash flow has been prepared under the indirect method as set out in Ind AS 7 on statements of cash flow.
- Figures in brackets indicate cash outflow.

See accompanying notes to the financial statements

1-27

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

*Vinesh Jain*  
**Vinesh Jain**  
Partner  
Membership No. 087701



Place: Delhi  
Date: 28 June, 2021

**For and on behalf of the Board of Directors**

*Rahul Kumar Srivastav*  
**Rahul Kumar Srivastav**  
Director  
DIN:08250331

*P V Raman*  
**P V Raman**  
Director  
DIN:06862390

**Parsvnath Promoters and Developers Private Limited**  
**Notes to the financial statements for the year ended 31 March, 2021**

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**1. Corporate Information**

Parsvnath Promoters and Developers Private Limited ("the Company") was incorporated as Luba Real Estate Private Limited on 24 July, 2007. The name of the Company has been changed to 'Parsvnath Promoters and Developers Private Limited' with effect from 24 January, 2011 and fresh certificate of incorporation was issued by Registrar of Companies, Delhi and Haryana. The Company became subsidiary of Parsvnath Developers Limited with effect from 19 November, 2010.

**2. Significant accounting policies**

**2.1 Basis of preparation**

The financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Upto the year ended 31 March, 2016, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP'). The date of transition to Ind AS is 1 April, 2015.

These financial statements have been prepared on the basis that the Company does not continue to be a going concern, and accordingly, all assets and liabilities have been measured and stated at the values they expect to be realised or settled at, to the extent ascertained by management at the time of preparation of these accounts.

The financial statements are presented in Indian Rupee and all values are rounded to the nearest lakhs, except when otherwise stated.

**2.2 Basis of measurement and presentation**

The financial statements have been prepared on the historical cost basis unless otherwise indicated.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

**2.3 Borrowing costs**

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalised / inventorised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use or sale.

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

**2.4 Employee benefits**

**Short-term employee benefits**

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

**2.5 Taxation**

Income tax expense for the year comprises of current tax and deferred tax.



### **Current tax**

Current tax is the expected tax payable on the taxable income for the year calculated in accordance with the Income Tax Act and any adjustment to taxes in respect of previous years.

### **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding amounts used in the computation of taxable income. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, the carry forward of unused tax losses and unused tax credits. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

### **Current and deferred tax for the year**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

## **2.6 Inventories**

Inventory comprises property under construction (work-in-progress) and is valued at lower of cost and net reliable value. Cost includes cost of land, development rights, materials, services, overhead related to projects under construction and apportioned borrowing costs.

## **2.7 Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are determined based on management estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimate.

## **2.8 Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. The Company does not recognise a contingent liability, but discloses its existence in the notes to the financial statements.

## **2.9 Cash and cash equivalents**

Cash and cash equivalents for the purpose of Cash Flow Statement comprises cash on hand, cash at bank and short-term deposits with banks with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

## **2.10 Earnings per share**

Basic earnings per share is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period and for all period presented is adjusted for events, such as bonus shares, that have changed the number of equity shares outstanding without a corresponding change in resources.



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**Parsvnath Promoters and Developers Private Limited**  
**Notes to the financial statements for the year ended 31 March, 2021**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**Classification of financial assets**

Debt instruments that meet the following conditions are subsequently measured at amortised cost :

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

**2.15 Financial liabilities and equity instruments**

**Classification as debt or equity**

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

**Equity instruments**

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

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

**Financial liabilities**

All financial liabilities are measured at amortised cost at the end of subsequent accounting period.

**Significant accounting judgements, estimates and assumptions**

The preparation of the financial statements in conformity with recognition and measurement principles of Ind AS requires the Management to make judgments, estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that these assumptions and estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

Significant judgements and other estimates and assumptions that may have the significant effect on the carrying amount of assets and liabilities in future years are:

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

**Recent accounting pronouncements**

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021.

The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.



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**PARSVNATH PROMOTERS AND DEVELOPERS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2021**

	<u>As at</u> <u>31-March-21</u> <u>Rs. in lakhs</u>	<u>As at</u> <u>31-March-20</u> <u>Rs. in lakhs</u>
<b>3. Cash and cash equivalents</b>		
a. Balances with banks	1.79	1.93
b. Cash on hand	0.21	0.11
	<u><b>2.00</b></u>	<u><b>2.04</b></u>
<b>4. Other financial assets</b>		
<b>Current</b>		
a. Receivable from related party against assignment amount (see note 21)	357.83	357.83
	<u><b>357.83</b></u>	<u><b>357.83</b></u>
<b>5. Other assets</b>		
<b>Current</b>		
a. Advance to related party	831.53	831.53
	<u><b>831.53</b></u>	<u><b>831.53</b></u>



**PARSVNATH PROMOTERS AND DEVELOPERS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2021**

	As at 31-March-21	As at 31-March-20
	Rs. in lakhs	Rs. in lakhs
<b>6 .Equity Share Capital</b>		
<b>Authorised Share Capital</b>		
3,32,000 (as at 31 March 2020: 3,32,000) equity shares of Rs. 10 each	33.20	33.20
<b>Issued ,subscribed and fully paid share capital</b>		
3,32,000(as at 31 March 2020: 3,32,000) fully paid equity shares of Rs. 10 each	33.20	33.20

**6.1 -Reconciliation of share capital**

	Number of Shares	Share Capital (Rs. In lakhs)
Balance as at 31 March, 2019	3,32,000	33.20
Movements during the year	-	-
Balance as at 31 March, 2020	3,32,000	33.20
Movements during the year	-	-
Balance as at 31 March, 2021	<b>3,32,000</b>	<b>33.20</b>

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

- i. Each equity holder of each class is entitled to one vote per share.



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

	As at 31-March-21	As at 31-March-20
	No. of shares	No. of shares
Parsvnath Developers Limited, the holding company	16,136	16,136

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

	As at March 31, 2021		As at March31,2020	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
<b>Fully paid equity shares</b>				
i. Parsvnath Developers Limited	16,136	5%	16,136	5%
ii. Green Destinations Holdings	1,62,674	49%	1,62,674	49%
iii. Parsvnath Rail Land Projects Private Limited	1,53,190	46%	1,53,190	46%



**PARSVNATH PROMOTERS AND DEVELOPERS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2021**

	<u>As at</u> <u>31-March-21</u> <u>Rs in lakhs</u>	<u>As at</u> <u>31-March-20</u> <u>Rs in lakhs</u>
<b>7. Other equity</b>		
a. Securities premium	3,284.07	3,284.07
b. Retained earnings	(2,131.21)	(2,126.60)
	<b>1,152.86</b>	<b>1,157.47</b>
<b>a. Securities premium</b>		
Balance at the beginning of the year	3,284.07	3,284.07
Movement during the year	-	-
<b>Balance at the end of the year</b>	<b>3,284.07</b>	<b>3,284.07</b>
<b>b. Retained earnings</b>		
Balance at the beginning of the year	(2,126.60)	(511.76)
Profit/(Loss) for the year	(4.61)	(1,614.84)
Balance at the end of the year	<b>(2,131.21)</b>	<b>(2,126.60)</b>

**Nature and purpose of reserves:**

- Securities premium - The amount received in excess of the face value of the debentures issued by the Company is recognised in securities premium.
- Retained earnings - Retained earnings are profits of the Company earned till date.

**8. Trade Payables**

**Current**

a. Trade Payables	<u>5.26</u>	<u>0.68</u>
	<b>5.26</b>	<b>0.68</b>

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.

**9. Other liabilities**

**Current**

a. Statutory liabilities	<u>0.04</u>	<u>0.05</u>
	<b>0.04</b>	<b>0.05</b>



**PARSVNATH PROMOTERS AND DEVELOPERS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2021**

	<u>Year ended</u> <u>31 March, 2021</u> Rs. in lakhs	<u>Year ended</u> <u>31 March, 2020</u> Rs. in lakhs
<b>10. Other income</b>		
a. Balances written back	-	7.15
	<u>-</u>	<u>7.15</u>
<b>11. Finance cost</b>		
a. Interest expense:		
i. on delayed payment of statutory dues	0.02	48.33
	<u>0.02</u>	<u>48.33</u>
<b>12. Other expenses</b>		
a. Rates and taxes	0.03	0.01
b. Legal and professional charges	3.06	65.28
c. Payment to auditors	1.48	1.48
d. Premium on redemption of debentures	-	1,506.83
e. Miscellaneous expenses	0.02	0.06
	<u>4.59</u>	<u>1,573.66</u>
<b>Payment to auditors</b>		
a. Statutory audit fee	0.50	0.50
b. Group reporting fee	0.75	0.75
c. GST on above	0.23	0.23
	<u>1.48</u>	<u>1.48</u>



**PARSVNATH PROMOTERS AND DEVELOPERS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2021**

**13. Segment reporting**

The Company is non-operative, hence there is no reportable segment. Accordingly disclosure required by Ind AS 108 "Operating Segment" have not been provided in the financial statements.

The Company operates in single geographical area of India. Accordingly, geographical information has not been reported

**14. Earnings per share**

		Year ended 31 March, 2021	Year ended 31 March, 2020
i. Net loss for calculation of basic and diluted earnings per share	Rs. In lakhs	(4.61)	(1,614.84)
ii. Weighted average number of equity shares outstanding during the year	Numbers	3,32,000	3,32,000
iii. Basic and diluted earnings per share	Rs.	(1.39)	(486.40)
iv. Nominal value of equity shares	Rs.	10.00	10.00

**15. Corporate social responsibility**

In terms of provisions of section 135 of the Companies Act, 2013, the Company was not required to spend any amount on activities relating to Corporate Social Responsibilities (CSR).

**16. Related party disclosures**

**i. List of related parties**

**(a) Holding Company**

- Parsvnath Developers Limited (PDL)

**(b) Fellow subsidiary**

- Parsvnath Rail Land Project Private Limited

**ii. Balances outstanding/transactions with related parties**

	PDL	Fellow subsidiary
	Rs. In lakhs	Rs. In lakhs
<b>(a) Transactions during the year</b>		
Advance given	(831.53)	(-)
Advances repaid	(-)	(1.16)
Redemption of debentures at premium (including premium)	(10849.84)	(-)
Transfer of debentures	(-)	(18133.39)



**PARSVNATH PROMOTERS AND DEVELOPERS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2021**

	<u>PDL</u> Rs. In lakhs	<u>Fellow subsidiary</u> Rs. In lakhs
<b>(b) Balances as at year-end</b>		
Other receivables	-	357.83
	(-)	(357.83)
Advances	831.53	-
	(831.53)	(-)

Note:

- 1 Related party transactions entered during the year were in ordinary course of business and are on arm's length basis.
- 2 Figures in brackets represent figures as at and for the year ended 31 March, 2020.



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**PARSVNATH PROMOTERS AND DEVELOPERS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2021**

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**Note 17**

The Company does not have any pending litigations which would impact its financial position.

**Note 18**

The Company did not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.

**Note 19**

Parsvnath Developers Limited (PDL), the holding company was selected as bidder for grant of lease for development of a project on a plot of land at Sarai Rohilla- Kishanganj by Rail Land Development Authority (RLDA) vide its 'Letter of Acceptance' (LOA) dated 26 November, 2010. The Company was decided as a Special Purpose Vehicle (SPV) for the purposes of development of the project and the RLDA accorded its in principle approval on 7 February, 2011 adopting the Company as SPV for the development and implementation of the project. In terms of LOA, amount payable towards land/land development rights is Rs. 165,100 lacs, of which Rs. 33,020 lakhs was paid as an advance to RLDA.

Subsequently, as required by RLDA, PDL incorporated a new company namely Parsvnath Rail Land Project Private Limited (PRLPPL) for development and implementation of the project and transferred all assets and liabilities of the company at the book value of Rs. 37,541.13 lacs plus interest payable to OCD holders from 01 January, 2013 to date of redemption through an Assignment Agreement dated 01 January, 2013.

Due to multifarious reasons, PRLPPL was not able to achieve 'Financial Closure' as per Article 7 of the agreement, which resulted in deemed termination of the agreement. PRLPPL had invoked the arbitration clause in the development agreement for recovery of amount paid to RLDA together with interest thereon on deemed termination of agreement by way of instituting three Arbitration proceedings namely Arbitration I, II and III. In Arbitration I, PRLPPL and PDL claimed interest on instalments demanded and received in advance by RLDA since necessary legislation was passed only later. The Arbitral Tribunal by majority judgment dated May 31, 2018 rejected the Company's claim and directed the Company vide its Award dated June 1, 2018, to pay the cost incurred in the proceedings amounting to Rs. 97.00 lakhs to RLDA. However, the Company has appealed against the decision before the Delhi High Court and the Hon'ble Court's decision is awaited (OMP (Comm) 395/2018 & IA 1250/2018). The Arbitral Tribunal announced its award in respect of the Arbitration II on 25th November, 2017 directing RLDA to refund the amount of Rs.103,453.78 lacs along with 4% interest per annum payable with effect from the 15th July,2015 till the date of recovery. RLDA challenged the award before the Hon'ble Delhi High Court, which upheld the decision of the Arbitral Tribunal vide its order dated 3 April, 2018. Thereafter, RLDA filed an appeal before the Division Bench of the Delhi High Court, which was dismissed vide judgment dated 14 March, 2019. Subsequently, the Special Leave Petition filed by RLDA before the Hon'ble Supreme Court of India, was also dismissed on 08 July, 2019. PRLPPL has subsequently received the due amount during July, 2019.

During the previous year, the Company has received substantial amount due from PRLPL. Considering the facts and discussions with the legal counsel and PRLPL management, the management considers the balance amount of Rs. 357.83 lakhs, due from PRLPL as good and fully recoverable.

Dispute regarding alleged misrepresentation under the Development Agreement has been referred to arbitration ("Arbitration III") and is pending adjudication.

**Note 20**

The Company entered into a Master Settlement Agreement (MSA) on 29<sup>th</sup> July, 2019 with its investors, PRLPPL and its investors and PDL, under which a scheme of settlement including distribution of amounts available amongst the parties was agreed upon. An addendum to the MSA was executed on 24 October, 2019 making certain changes in the MSA. Under the agreement, PPDPL received Rs. 17609.34 lakhs as part payment of consideration payable under the Assignment Agreement. The Agreement also laid down the manner in which the amount received by the Company would be utilized, which includes the following:

- a. Payment of statutory dues
- b. Payment to promoters of outstanding coupon on Optionally Convertible Debentures (OCDs)
- c. Redemption of OCDs held by promoters.
- d. Payment of third party liabilities

On 29 July, 2019 the Company also executed an amendment agreement to Investment and Security Holders' Agreement (ISHA) to record inter alia the revised terms and conditions for distribution of the amounts available and make certain changes in the ISHA.



**PARSVNATH PROMOTERS AND DEVELOPERS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2021**

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**Note 21**

During the year, Crimsonstar Ventures Limited transferred the Fully convertible debentures (FCDs) Series I and Series II, held by it to Parsvnath Rail Land Project Private Limited (PRLPPL).

These FCDs were converted into Optionally Convertible Debentures (OCDs) on 09th March, 2020 and subsequently redeemed on 20th March, 2020 in full. As the FCDs were in dematerialized form, necessary application was made to National Securities Depository Limited (NSDL) for execution of corporate action with respect to conversion of FCDs into OCDs and the same is pending with NSDL.

**Note 22**

Pursuant to the settlement agreements, the Company has received substantial amount of assignment amount and has redeemed its debentures. The Company does not have any project in hand, therefore these financial statements have been prepared on the basis that the Company does not continue to be a going concern, and accordingly, all assets and liabilities have been measured and stated at the values they expect to be realised or settled at, to the extent ascertained by management at the time of preparation of these accounts.



A handwritten signature in blue ink, appearing to be a stylized 'S' or 'D' followed by a horizontal line.

A handwritten signature in blue ink, appearing to be the initials 'SP' followed by a horizontal line.



**PARSVNATH PROMOTERS AND DEVELOPERS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2021**

**23. Financial Instruments**

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

	As at 31-March-21				As at 31-March-20			
	Total	Amortised Cost	At cost	FVTPL	Total	Amortised Cost	At cost	FVTPL
<b>Financial assets</b>								
i. Cash and cash equivalents	2.00	2.00	-	-	2.04	2.04	-	-
ii. Other financial assets	357.83	357.83	-	-	357.83	357.83	-	-
<b>Total financial assets</b>	<b>359.83</b>	<b>359.83</b>	<b>-</b>	<b>-</b>	<b>359.87</b>	<b>359.87</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>								
i. Trade Payables	5.26	5.26	-	-	0.68	0.68	-	-
<b>Total financial liabilities</b>	<b>5.26</b>	<b>5.26</b>	<b>-</b>	<b>-</b>	<b>0.68</b>	<b>0.68</b>	<b>-</b>	<b>-</b>

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



**PARSVNATH PROMOTERS AND DEVELOPERS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2021**

**24. 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 receivable from related party for assignment of project.

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

**Liquidity Risk**

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

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

	<b>Rs. in lakhs</b>		
	<b>Carrying amount</b>	<b>Payable within 1 year</b>	<b>Payable more than 3 years</b>
<b>As at 31 March, 2021</b>			
Borrowings	-	-	-
Trade payables	5.26	5.26	-
Other financial liabilities	-	-	-
	<b>5.26</b>	<b>5.26</b>	<b>-</b>
<b>As at 31 March, 2020</b>			
Borrowings	-	-	-
Trade payables	0.68	0.68	-
Other financial liabilities	-	-	-
	<b>0.68</b>	<b>0.68</b>	<b>-</b>

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

**B. Price risk**

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

**Credit Risk**

Credit risk is the risk that customer or counter-party will not meet its obligation under the contract, leading to financial loss. The Company has no trade receivables, hence the Credit risk is not material.



**PARSVNATH PROMOTERS AND DEVELOPERS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2021**

**25. 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:

	<b>As at 31 March, 2021</b>	<b>As at 31 March, 2020</b>
	<b>Rs. in lakhs</b>	<b>Rs. in lakhs</b>
<b>Borrowings:</b>		
- Long term	-	-
- Short term	-	-
- Current maturities of long term borrowings	-	-
<b>Total borrowings - A</b>	<b>-</b>	<b>-</b>
<b>Equity</b>		
- Share capital	33.20	33.20
- Other equity	1,152.86	1,157.47
<b>Total Equity - B</b>	<b>1,186.06</b>	<b>1,190.67</b>
Debt to equity ratio (A/B)	N.A.	N.A.

**26. Events after the reporting period**

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



**27. Approval of the financial statements**

The financial statements were approved for issue by Board of Directors on 28 June, 2021.

**For and on behalf of the Board of Directors**



  
**Rahul Kumar Srivastav**  
 Director  
 DIN:08250331

   
**P V Raman**  
 Director  
 DIN:06862390

Place: Delhi  
 Date: 28 June, 2021