



Independent Auditor's Report on Financial Results of the Parsvnath Rail Land Project Private Limited to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

**TO THE BOARD OF DIRECTORS OF
Parsvnath Rail Land Project Private Limited**

Opinion

1. We have audited the accompanying financial results of **Parsvnath Rail Land Project Private Limited ('the Company')** for the quarter and year ended March 31, 2022 (the "financial results"), being submitted by the Company pursuant to the requirement of Regulation 52 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 financial results:
 - i. is presented in accordance with the requirements of Regulation 52 of the Listing Regulations 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 loss and other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2022.

Basis of Opinion

3. 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 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 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 opinion.

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(A limited liability partnership with LLP Identification No. AAF-3926) with effect from 28th December, 2015

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4. Emphasis of Matters

- (a) We draw attention to note 3 to the Statement wherein it is stated that these financial results have been prepared on the basis that the Company does not continue to be a going concern, for the reason stated in the said notes. 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.
- (b) We draw attention to note No. 6 to the Statement, regarding claim of Rs. 6442.62 lakhs recoverable from RLDA relating to matter under arbitration. In the opinion of the management, amount is considered good and recoverable.

Our opinion is not modified in respect of these matters.

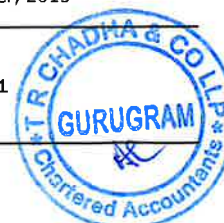
5. Board of Director's Responsibilities for the Financial Results

These 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 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 52 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 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 financial results by the Directors of the Company, as aforesaid.

In preparing the 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

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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.

6. Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the 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 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 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.

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- 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 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.
- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the 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 Company to express an opinion on the 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.

Other Matters

7. The financial result for the year ended March 31, 2021 were audited by the erstwhile auditor whose report dated June 29, 2021, expressed an unmodified conclusion on those final financial results.



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T R Chadha & Co LLP
Chartered Accountants



8. The financial results include the results for the March 31,2022 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

Aashish Gupta
(Partner)

Membership No. : 097343

UDIN: 22097343AJXLZU3829

Date: Delhi

Place: 30.05.2022



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PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED

Regd. Office: Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi-110032

CIN: U45203DL2011PTC227343

BALANCE SHEET AS AT 31 MARCH, 2022

Particulars	As at 31-March-22	As at 31-March-21
	Audited	Audited
Assets		
Non current assets		
a. Financial assets		
i. Investments	546.53	549.40
ii. Other financial assets	6,442.62	6,442.62
b. Tax assets (net)	32.14	33.51
Total non-current assets	7,021.29	7,025.53
Current assets		
a. Financial assets		
i. Cash and cash equivalents	0.59	12.04
ii. Other financial assets	-	1.16
b. Other current assets	0.30	-
Total current assets	0.89	13.20
Total assets	7,022.18	7,038.73
Equity and liabilities		
Equity		
a. Equity share capital	14.10	14.10
b. Convertible preference shares	28.30	28.30
c. Other equity	(5,075.03)	(5,054.24)
Total equity	(5,032.63)	(5,011.84)
Liabilities		
Non-current liabilities		
a. Financial liabilities		
a. Borrowings	11,257.49	11,617.49
Total non current liabilities	11,257.49	11,617.49
Current liabilities		
a. Financial liabilities		
i. Borrowings	362.03	0.06
ii. Trade payable		
- Outstanding dues of micro enterprises and small enterprises	-	-
- Outstanding dues of creditors other than micro enterprises and small enterprises	78.05	79.03
iii. Other financial liabilities	356.89	353.83
b. Other current liabilities	0.35	0.16
Total current liabilities	797.31	433.08
Total liabilities	12,054.81	12,050.57
Total equity and liabilities	7,022.18	7,038.73



Statement of financial results for the half year and year ended 31 March, 202

Serial No.	Particulars	Quarter Ended		Year ended	Year ended
		31/03/2022	31/12/2021	31/03/2022	31/03/2021
		Unaudited	Unaudited	Audited	Audited
1	Income				
	a. Revenue from operations	-	-	-	-
	b. Other income	-	-	-	1.67
	Total income	-	-	-	1.67
2	Expenses				
	a. Employee benefit expense	1.26	1.26	4.62	-
	b. Finance costs	-	0.01	0.01	0.11
	c. Other expenses	4.15	7.97	16.16	12.32
	Total expenses	5.41	9.24	20.79	12.43
3	Profit /(Loss) before exceptional Items and Tax (1-2)	(5.41)	(9.24)	(20.79)	(10.76)
4	Exceptional Items - Provision for impairment of Investments	-	-	-	-
5	Profit /(Loss) before tax	(5.41)	(9.24)	(20.79)	(10.76)
6	Tax expenses	-	-	-	-
7	Profit / (Loss) for the period/ year	(5.41)	(9.24)	(20.79)	(10.76)
8	Other Comprehensive Income		-	-	-
9	Total Comprehensive Income/(loss) for the period / year	(5.41)	(9.24)	(20.79)	(10.76)
10	Earnings per Equity Share (Face value of Rs. 10 each)				
	a. Basic (in Rs.)	(3.84)	(6.55)	(14.74)	(7.63)
	b. Diluted (in Rs.)	(3.84)	(6.55)	(14.74)	(7.63)
11	Paid up equity share capital, Equity share of Rs. 10 each	14.10	14.10	14.10	14.10
12	Other equity	(5,075.03)	(5,069.65)	(5,075.03)	(5,054.24)
13	Debenture Redemption Reserve	-	-	-	-
14	Net Worth	(5,060.93)	(5,055.56)	(5,060.93)	(5,011.84)
15	Debt Equity Ratio (See note 15)	(2.38)	(2.32)	(2.38)	(2.32)
16	Asset Coverage Ratio (See note 15)	0.54	0.57	0.54	0.57
17	Debt Service Covergae Ratio (See note 15)	N.A.	N.A.	N.A.	N.A.
18	Interest Service Coverage Ratio (See note 15)	N.A.	N.A.	N.A.	N.A.



Parsvnath Rail Land Project Private Limited
Statement of Cash Flows for the Year ended 31 March, 2022

Notes	Year ended 31 March, 2022	Year ended 31 March, 2021
	Rs. In lakhs	Rs. In lakhs
Cash flows from operating activities		
Profit/(loss) for the year	(20.79)	(10.76)
Adjustments for :		
Finance costs recognised in statement of profit and loss	0.01	0.11
TDS Written back	1.38	
Amortization of Deposit	1.16	
Diminution in Investment	2.87	
Interest income recognised in statement of profit and loss	-	(1.67)
	<u>(15.37)</u>	<u>(12.32)</u>
Movements in working capital:		
(Increase)/decrease in other current financial assets	-	(5.16)
(Increase)/decrease in other current assets	(0.30)	0.58
Increase/(decrease) in trade payables	(0.98)	1.10
Increase/(decrease) in provisions	0.10	-
Increase/(decrease) in other financial liabilities	3.06	-
Increase/(decrease) in other current liabilities	0.08	(0.14)
Cash generated from operations	<u>(13.41)</u>	<u>(15.94)</u>
Income tax paid (net)	-	25.67
Net cash flow from/(used in) operating activities	<u>(13.41)</u>	<u>9.73</u>
Cash flows from investing activities		
Decrease/(increase) in deposits under lien not considered as cash and cash equivalents	-	-
Claim amount received (net of assignement)	-	-
Purchase of investments	(0.00)	-
Interest received	-	1.67
Net Cash flow from/(used in) investing activities	<u>(0.00)</u>	<u>1.67</u>
Cash flows from financing activities		
Interest paid	(0.01)	(0.11)
Proceeds from borrowings	1.97	-
Repayment of borrowings	-	-
Net Cash flow from/(used in) financing activities	<u>1.96</u>	<u>(0.11)</u>
Net increase in Cash and cash equivalents	<u>(11.45)</u>	<u>11.28</u>
Cash and cash equivalents at the beginning of the year	<u>12.04</u>	<u>0.76</u>
Cash and cash equivalents at the end of the year	<u>4</u> <u>0.59</u>	<u>12.04</u>

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



Notes :

- 1 The above financial results have been reviewed and approved by the Board of Directors in the meeting held on 30 May 2022 and have been audited by Statutory Auditors of the Company
 2 The financial results of the Company have been prepared in accordance with the recognition and measurement principles laid down in India Accounting Standard ("Ind AS") specified under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally in India
- 3 The Financial results have been prepared on the basis that the Company does not continue to be a going concern, since the company has surrendered its project. Accordingly, all assets and liabilities have been measured and stated at the values they expect to be realized or settled at, to the extent ascertained by management at the time of preparation of these accounts.
- 4 Figures for the Quarter ended 31 March 2022 represents the balancing figures derived by deducting the reviewed year to date figures for the year ended 31 March 2022 and year to date figures upto first nine months ended 31st December 2021.
- 5 The company has only one operating segment, hence disclosure under Ind AS 108 on 'Operating Segments' is not applicable.

 The 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, inability to achieve financial closure the development agreement got terminated & the company invoked arbitration clauses in the development agreement for recovery of amount paid to RLDA together with interest thereon. As well as for recompense for losses & damages etc. Pursuant to the Arbitration Award dated 25 November, 2017 Passed in Arbitration II and subsequent dismissal of RLDA's Objection & appeals by Hon'ble High court of Delhi and by Hon'ble Supreme Court of India on 8th July, 2019, The Company has received the award amount Under Arbitration II.

 In case of Arbitration I (with respect of RLDA's liability for payment of Interest to the Company on installment's received in excess of and prior to RLDA's entitlement), the Arbitral Tribunal by award dated 1 June, 2018 rejected the Company's claims. The Company has filed Objections against the said arbitral award Before the Hon'ble Delhi High Court & the matter is Pending at jurisdiction.
- 6 The Company has also initiated other Arbitration Proceedings, where in the Company and PDL inter-alia sought refund of the amounts retained as alleged losses, losses incurred on account of RLDA's breach of its representations and warranties in respect of the land sought to be leased and delayed release of Bank Guarantee & other matters These arbitration Proceedings are also in process.
 Based on the legal advice received, the claim of Rs.6442.62 lakhs from RLDA is considered Good & reflected under 'Other Non-Current financial assets.'
- 7 Brickwork rating has reaffirmed the rating of companies NCDs series of A of Rs 36 Lacs and NCDs Series B of Rs 11257.49 Lacs at BWR B+ / Credit watch with Developing implications (reaffirmed). Vide its letter dated 13 September 2021.
- 8 The Company has not received any complaint from the investor for the year ended 31st March, 2022 and there was no complaint pending at the beginning of the year.
- 9 The holder of non-convertible debentures and the Company by way of Board Resolution have decided to waive the interest of debentures and the Company has accordingly not accrued any liability for interest on these debentures for the year ended 31st March, 2022

 The debentures of the company are secured for the following:

 10 Both redeemable NCD are secured by first & second charges respectively by way of hypothecation of assets, contracts receivables, all present and future book debts, outstandings, monies receivable together with all and any interest accruing thereon and exclusive charge respectively in favour of the debenture Trustee in respect of the leasehold rights of the company over such site parcels leased by the RLDA to the Company upon payment of the second lease installment and in respect of the remaining site parcels by execution of the subsequent indenture of mortgage.
- 11 Redemption of Debentures series A amounting to Rs. 360.00 lakh is due on 18.12.2022 and series B amounting to Rs. 11,257.49 lakh is due on 20.08.2023.
- 12 In the absence of available profits, the company has not created Debenture Redemption reserve during the year.

 Pursuant to Regulation 52(7A), the Company confirms that there have been no material deviations in the use of proceeds of issue of Non-convertible Debentures from the objects stated in the offer document.
- 13 In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016, the Company hereby declares that the auditors have audit report with unqualified opinion on Reviewed financial result for the quarter.
- 14 Additional disclosure as per Regulation 52(4) of SEBI (LODR) Regulation 2015 are as under:

Particulars	Year ended	
	31.03.2022	31.03.2021
	Audited	
Interest service coverage ratio	0.01	0.11
Operating margin (%)	N.A.	0.00%
Net Profit margin (%)	N.A.	0.00%



Particulars	March 31, 2022	March 31, 2021
	Unaudited	Audited
Debt Equity ratio	(2.38)	(2.32)
Debt service coverage ratio	N.A.	N.A.
Debenture Redemption reserve	N.A.	N.A.
Capital Redemption reserve	N.A.	N.A.
Net Worth	(5060.93)	(5040.14)
Net Profit after tax	(20.79)	(10.76)
Earnings per share	(14.74)	(7.63)
Current ratio	0.001	0.04
Long term debt to working capital	(14.14)	(27.67)
Bad debts to accounts receivable ratio	N.A.	N.A.
Current liability ratio	0.11	0.06
Total Debts to Total assets	1.72	1.65
Asset coverage Ratio	0.60	0.57
Debtor's turnover	0.00	0.00
Gross NPA ratio	N.A.	N.A.
Net NPA ratio	N.A.	N.A.
Provision Coverage ratio	N.A.	N.A.
Outstanding redeemable preference shares	N.A.	N.A.
Outstanding redemption reserve/ Debenture redemption reserve	N.A.	N.A.
Inventory turnover	N.A.	N.A.

15 Figures for the previous periods have been regrouped wherever necessary in order to make them comparable

15 Formula used:

- (i) Interest service coverage ratio = Earnings before interest, depreciation and tax / Interest expenses
- (ii) Operating margins = (Profit before tax + Finance costs) / Revenue from operations
- (iii) Net Profit margin : Net profit for the period / year / Revenue from operations
- (iv) Debt service coverage ratio = Earnings before depreciation, interest and tax / (Interest expense + Principal repayments made during the period for long term Loans)
- (v) Debt equity ratio = Total debt / Equity (excluding debenture redemption reserve)
- (vi) Net worth = Equity Share capital + Reserves and surplus
- (vii) Current Ratio : Current Assets / Current Liabilities
- (viii) Long term debt to working capital : Long term borrowings / (Current Assets - Current Liabilities)
- (ix) Bad debts to accounts receivable ratio : Bad debts / Average Trade Receivables
- (x) Total Debts to total assets : Debt / Total assets
- (xi) Debtors' turnover = Revenue from operations / Average Trade Receivables
- (xii) Earnings per share = Net Profit / No. of shares
- (xiii) Net worth = Share capital + Reserves and surplus
- (xiv) Interest service coverage ratio = Earnings before interest, tax and depreciation/ Interest expenses
- (xv) Current liability Ratio = Current Liabilities / (Total Equity + Total Liabilities)
- (xvi) Asset Coverage Ratio = (Total Assets - Intangible Assets) / Total Debt
- (xvii) Debt equity ratio = Total debt / Equity (excluding debenture redemption reserve)

Place: New Delhi
 Date:- May 30, 2022


 Chairman & Managing Director

