



INDEPENDENT AUDITOR'S REPORT

To the Members of PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial Statements of **PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED ('the Company')**, which comprise the Balance Sheet as at March 31, 2024, the statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under section 133 in the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2024 and loss, total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those standards on auditing are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statement' 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 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 Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters Paragraph

- (i) We draw attention to Note no 27 to the financial statement, the settlement agreement has been entered into with one of the tenant wherein the case was pending before Delhi High Court and liability for the same has been provided in the books of account.
- (ii) We draw attention to Note no 12 to the financial statement, Senior listed Debenture series A for Rs. 2,500 Lakhs was due for partial redemption by Rs. 1,168.18 Lakhs as on March 31, 2024 and funds were available for repayment in the lender-controlled escrow account but the lender has not appropriated the same. The company has requested to either to adjust/reschedule the same.





Senior unlisted debenture series B for Rs. 27,500 Lakhs was due for partial redemption by Rs. 13,504.53 as on March 31, 2024 along with interest of Rs. 7,004.48 lakhs (due for 01 to 425 days). The company has requested the debenture holders to reschedule the same.

- (iii) We draw attention to Note no 51 to the financial statement, the company has not complied with Section 6(1) of the Security and Exchange Board of India (Listing obligations and disclosures requirements) Regulations 2015 which mandates every listed company to appoint a compliance officer.

Our opinion is not modified in respect of these matters.

Material Uncertainty Related to Going Concern

We draw attention to Note no 49 to the financial statement, the Company has accumulated losses and its net worth has been fully eroded, the Company has incurred a net loss/net cash loss during the current and previous year(s). These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis in view of continuing financial support from its holding company and the Company's current assets exceeded its current liabilities as at the balance sheet date.

Our opinion is not modified in respect of this matter.

Key Audit Matter

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

Key audit matters	How the matter was addressed in our audit
Intangible assets	
The Company has significant Intangible assets. As at 31 March 2024, the carrying values of intangible assets amount to Rs 31574.09 lakhs. Management reviews regularly whether there are any indicators of impairment by reference to the requirements under Ind AS 36 'Impairment of Assets'. For Intangible assets where impairment indicators exist, significant judgements are required to determine the key assumptions used in the valuation model and methodology, such as revenue growth, discount rates, etc.	Our audit procedures included : <ul style="list-style-type: none"> • Assessed the Company's valuation methodology applied in determining the recoverable amount of the Intangible assets. • Made inquiries with management to understand key drivers of the cash flow forecasts, discount rates, etc.; • Involved experts to review the assumptions used by the management specialists; • We reviewed the disclosures made in the Ind AS financial statements regarding such intangible assets.





Considering the impairment assessment involves significant assumptions and judgement, the same has been considered as key audit matter.	
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Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report, but does not include the Financial Statements and our auditor's report thereon. These Reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Directors report, Management Discussion and Analysis Report and Corporate Governance Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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





Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider the quantitative and qualitative factor in (i)





planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations except the below mentioned information which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except audit trail feature not enabled as mentioned in paragraph 2(j)(f) of this report.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive income), the statement of changes in equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (India Accounting Standard) Rules, 2015 as amended.





- (e) The matters described in the 'Emphasis of Matter' and 'Material Uncertainty Related to Going Concern' paragraph above, in our opinion, may have an adverse effect on the functioning of the company.
- (f) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) The modification relating to the maintenance of accounts and other matters connected herewith are as stated in the paragraph (b) above;
- (h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an qualified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statement
- (i) With respect to the other matters to be included in Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, to the best of our information and according to the explanations given to us, the company has not paid any remuneration to its directors during the year.
- (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - **Refer Note 26 & 27** to the financial statements
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - **Refer Note 28** to the financial statements;
 - c. There were no amounts which were required to be transferred to the investor's education and protection fund by the company - **Refer Note 39(xiii)** to the financial statements;
 - d. (i) Management has represented as disclosed in **Note 39(v)** to the financial statements, that to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;





(ii) The Management has represented to us and as disclosed in note no. 39(vi) to the financial statements, that, to the best of its knowledge and belief,, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on such audit procedures performed and information and explanation given, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

- e. The company has not paid or declared any dividend during the year.
- f. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility but the same has not been enabled throughout the year for all relevant transactions recorded in the software. Consequently, reporting with respect to tempering of edit log under this clause is not required.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

Aashish Gupta
Partner

Membership No. 097343

UDIN : 24097343BKEHVX6694



Place: Delhi
Date: 12 June 2024



ANNEXURE A
PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED
Annexure to Independent Auditors' Report for the period ended March 2024
(Referred to in Paragraph 1 under the Heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that;

(i) Property, Plant and Equipment

a)

A. The Company has not maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment including Right of Use Asset ;

B. The Company has not maintained proper records showing full particulars of intangible assets;

b) The mangement has not carried out the physical verification of Property, Plant and Equipment including Right of use Asset and Intangible Assets at regular intervals. However, in the absence of physical verification we are unable to comment upon whether the discrepancies are material or not.

c) According to the information and explanations given to us, there are no immovable assets held by the company(other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), hence this clause of paragraph 3 (i) of the order is not applicable to the Company.

d) As we informed in clause (i) (a), company does not have Property, Plant and Equipment. Further company has not revalued its Right to Use assets or Intangible assets, therefore reporting in clause of revaluation is not applicable to this company for the year 2023-2024.

e) As disclosed by the management in note 39(i) of the financial statements, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.

(ii) Inventories

a) The physical verification by way of verification of title deeds and certification of extent of work completion by competent persons, are at reasonable intervals and no material discrepancies were noticed on physical verification.





b) According to the information and explanations given to us and as verified by us, during any point of time of the year, the company has not been sanctioned working capital limits, hence paragraph 3 (ii) (b) of the order is not applicable to the company.

(iii) Loans, Investments, Guarantees, Securities and Advances in nature of Loan

The Company has not made any investments and granted loans to its subsidiary companies and other parties during the year ,hence reporting in paragraph 3(iii)(a) to (f) is not applicable on the company.

(iv) Compliance of Sec. 185 & 186

There is no transaction covered under Section 185 and Section 186 therefore reporting under paragraph 3 (iv) of the order is not applicable on the company.

(v) Public Deposit

The Company has not accepted any deposits including amount which are deemed to be deposit from the public and hence directives issued by the Reserve Bank of India and the provisions of the section 73 to 76 or any other relevant provisions of the Act and the Rules framed there under apply are not applicable. Accordingly, the provision of paragraph 3(v) of the Order is not applicable to the Company.

(vi) Cost Records

In our opinion and according to information and explanation given to us, the turnover and networth of the company is not above the threshold limit as prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 for maintenance of cost records, therefore provisions of paragraph 3 (vi) of the order is not applicable.

(vii) Statutory Dues

a) The Company has been regular in depositing its undisputed statutory dues including income-tax, Goods and Services Tax and Cess etc. There are no undisputed dues payable, outstanding as on 31st March, 2024 for a period of more than six months from the date they became payable.

b) There are no amounts in respect of Income Tax, Goods and Services Tax etc. that have not been deposited with the appropriate authorities on account of any dispute.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the requirement to report on clause 3(viii) is not applicable to the company.

(ix) Application & Repayment of Loans & Borrowings





- a) In our opinion and according to the information and explanation given to us, the Company has defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender as mentioned in the below table, read with note no 12 to Financial Statement:

Name of the lender	Amount defaulted in repayment of (Rs. in Lakhs)		Period of default
	Principal	Interest	
Other than bank, Financial Institutions and Government			
Non-Convertible Debentures - series B	13504.53		1 day
		7004.48	1- 425 days

- b) As disclosed by the management in note 39(viii) of the financial statements, the Company has not been declared as willful defaulter by any bank or financial institution or the other lender.
- c) As disclosed by the management in note 39(xii) of the financial statements, term loans taken from the Bank, Financial Institutions or any other lender were applied for the purpose for which the loans were obtained. During the year Company has not taken any term loan. Terms loans were taken in earlier years was appeared to be utilised in earlier year for the purpose for which same were obtained
- d) On an overall examination of the balance sheet of the company, we report that, prima facie, funds raised on short-term basis have not been used for long term purposes.
- e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. Accordingly, the reporting under paragraph 3 (ix) (e) of the Order is not applicable to the Company.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Accordingly, the reporting under paragraph 3 (ix) (f) of the Order is not applicable to the Company.
- (x) **Application of fund raise through public offer**
- a) The Company has not raised money by way of initial public offer or further public offer (including debt instrument) during the year under audit therefore, reporting under paragraph 3 (x) (a) of the order is not applicable to the company.
- b) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Therefore reporting under paragraph 3 (x) (b) of the order is not applicable to the company..
- (xi) **Fraud**
- a) No fraud by the Company or on the Company has been noticed or reported during the year.





- b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.
- c) Company is not required for establishment of whistle-blower mechanism under section 177(9) of the Act. Therefore reporting under paragraph 3 (xi) (c) of the order is not applicable to the company.
- (xii) The company is not a Nidhi Company. Therefore reporting under paragraph 3 (xii) (a), (b) and (c) of the order is not applicable to the company.
- (xiii) The company is not required to constitute audit committee hence section 177 of the Companies Act, 2013 is not applicable to the Company. The Company has complied with the provision of section 188 of The Companies Act, 2013 and the details have been disclosed in the financial statement as required by the applicable accounting standards.
- (xiv) The company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013. Therefore reporting under paragraph 3 (xiv) (a) and (b) of the order is not applicable to the company.
- (xv) The company has not entered into any non-cash transaction with directors or persons connected with him. Therefore reporting under paragraph 3 (xv) of the order is not applicable to the company.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore reporting under paragraph 3 (xvi) of the order is not applicable to the company.
- (xvii) Company has incurred cash losses of Rs. 15,153.90 lakhs and 14,570.57 lakhs during the financial year & in immediate previous financial.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under paragraph 3 (xviii) of the order is not applicable to the company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements including Note no. 43 to the financial statement, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions we are of the opinion that an uncertainty with respect to going concern as on the date of the audit report as mentioned in Para on "Material Uncertainty Related to Going Concern" of our Audit Report as in Financial Statement.



T R Chadha & Co LLP
Chartered Accountants



- (xx) Section 135(5) of the Act, is not applicable to the company, Accordingly, the reporting under paragraph 3 (xx) (a) and (b) of the Order is not applicable to the Company.

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

Place: Delhi
Date: 12 June 2024


Aashish Gupta
Partner

Membership No. 097343

UDIN: 24097343 BKEHVx6694





ANNEXURE B

THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statement of **PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED** ("the Company") as of 31 March, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on, "the internal control with reference to financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statement based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statement was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statement and their operating effectiveness. Our audit of internal financial controls with reference to financial statement included obtaining an understanding of internal financial controls with reference to financial statement, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.





We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Qualified audit opinion on the Company's internal financial controls system with reference to financial statement.

Meaning of Internal Financial Controls with reference to Financial Statement

A company's internal financial control with reference to financial statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statement includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statement

Because of the inherent limitations of internal financial controls with reference to financial statement, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statement to future periods are subject to the risk that the internal financial control with reference to financial statement may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis of Qualified Opinion

According to the information and explanations given to us and based on our report, the following material weaknesses has been identified in the operating effectiveness of the company's internal financial controls over financial reporting as at March 31, 2024:

- a) The Company does not have an effective process to evaluate and test the IT general controls, which may affect the completeness, accuracy and reliability of the reports generated from IT System.
- b) The Company does not have effective process to document the review of significant accounting transactions in the books of account which could potentially result in incorrect accounting.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.





Qualified Opinion

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India and except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were not operating effectively as of March 31, 2024.

We have considered the material weaknesses identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the Company as at and for the year ended March 31, 2024, and these material weaknesses do not affect our opinion on the financial statements of the Company.

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

Aashish Gupta
Partner

Membership No. 097343

UDIN : 24097343BKE-HVx6694



Place: Delhi
Date : 12 June 2024

Parsvnath Estate Developers Private Limited
CIN : U45400DL2007PTC166218
Balance Sheet as at 31 March,2024

	Notes	As at 31-March-24	As at 31-March-23
		Rs in lakhs	Rs in lakhs
Assets			
1. Non-current assets			
a. Right of use asset	3	12,838.93	13,619.35
b. Other intangible assets	3	31,574.09	33,928.46
c. Financial assets			
i. Other financial assets	4	861.11	861.11
d. Tax assets (net)	8	734.53	438.39
e. Deferred tax assets (net)	17	-	-
f. Other non-current assets	9	1.50	8.56
Total non-current assets		46,010.16	48,855.87
2. Current assets			
a. Inventories	5	7,300.83	7,300.83
b. Financial assets			
i. Trade receivables	6	943.99	117.15
ii. Cash and cash equivalents	7	1,798.41	206.26
iii. Other financial assets	4	3,046.05	2,005.52
c. Other current assets	9	40,455.32	39,971.82
Total current assets		53,544.60	49,601.58
Total assets		99,554.76	98,457.45
Equity and Liabilities			
1. Equity			
a. Equity share capital	10	500.00	500.00
b. Other equity	11	(1,01,405.35)	(82,827.20)
Total Equity		(1,00,905.35)	(82,327.20)
Liabilities			
2. Non-current liabilities			
a. Financial liabilities			
i. Borrowings	12	1,01,890.00	1,16,552.71
ii. Lease liability	14 (i)(d)	11,681.57	11,627.82
iii. Other financial liabilities	14 (i)	44,031.76	32,986.21
b. Other non-current liabilities	15 (i)	35.24	120.11
c. Provisions	16 (i)	5.73	5.00
Total non-current liabilities		1,57,644.30	1,61,291.85
3. Current liabilities			
a. Financial liabilities			
i. Borrowings	12	29,662.71	15,000.00
ii. Trade Payables	13		
a. Total outstanding dues of micro enterprises and small enterprises		-	-
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		178.03	94.78
iii. Lease liability		-	-
iv. Other financial liabilities	14 (ii)	11,869.19	4,200.20
b. Other current liabilities	15 (ii)	1,105.75	197.70
c. Provisions	16 (ii)	0.13	0.12
Total current liabilities		42,815.81	19,492.80
Total liabilities		2,00,460.11	1,80,784.65
Total equity and liabilities		99,554.76	98,457.45

See accompanying notes forming part of the financial statements

In terms of our report attached

For T R Chadha & Co LLP

Chartered Accountants

Firm's Registration No. 006711N/NS80028

Aashish Gupta

Partner

Membership No. 097343

Place: Delhi

Date: 12 June 2024

1-54

For and on behalf of the Board of Directors

Arvind Kumar Mishra

Director

(DIN:08250280)

Survamani Pandey

Director

(DIN:08250346)

Parsvnath Estate Developers Private Limited
CIN : U45400DL2007PTC166218

Statement of Profit and Loss for the year ended 31 March, 2024

	Notes	year ended	Year ended
		31 March, 2024	31 March, 2023
		Rs in lakhs	Rs in lakhs
I Revenue from operations	18	7,309.14	5,570.67
II Other income	19	34.60	280.74
III Total income (I + II)		7,343.74	5,851.41
IV Expenses			
(a) Changes in inventories of finished goods and work-in-progress	20	-	-
(b) Employee benefits expense	21	21.02	29.57
(c) Finance costs	22	20,371.67	19,125.03
(d) Depreciation and amortisation expense	23	3,414.87	3,389.68
(e) Other expenses	24	2,104.95	1,267.38
Total expenses (IV)		25,912.51	23,811.66
V Profit/(loss) before tax (III-IV)		(18,568.77)	(17,960.25)
VI Tax expense/(benefit):			
(i) Current tax		9.35	166.00
(ii) Tax adjustment for earlier years		-	138.28
(iii) Deferred tax		-	-
		9.35	304.28
VII Profit/(loss) for the year (V - VI)		(18,578.12)	(18,264.53)
VIII Other comprehensive loss		(0.03)	-
IX Total comprehensive income for the year (VII + VIII)		(18,578.15)	(18,264.53)
X Earnings per equity share (face value Rs. 10 per share)	32		
(1) Basic (in Rs)		(371.56)	(365.29)
(2) Diluted (in Rs)		(371.56)	(365.29)

See accompanying notes forming part of the financial statements

1-54

In terms of our report attached

For T R Chadha & Co LLP
Chartered Accountants
(Firm's Registration No. 006711/N/N500028)

Aashish Gupta
Partner
(Membership No. 097343)

Place: Delhi
Date: 12 June 2024

For and on behalf of the Board of Directors

Arvind Kumar Mishra
Director
(DIN:08250280)

Suryamani Pandey
Director
(DIN:08250346)

PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED
CIN : U45400DL2007PTC166218
Statement of Cash Flows for the year ended 31 March, 2024

PARTICULAR	Year ended 31 March, 2024 Rs in lakhs	Year ended 31 March, 2023 Rs in lakhs
Cash flows from operating activities		
Profit/(loss) for the year	(18,568.77)	(17,960.25)
Adjustments for :		
Finance costs recognised in profit or loss	20,371.67	19,125.03
Interest income recognised in profit or loss	(32.66)	(126.86)
Provision for employee benefit	0.74	1.06
Provision for doubtful debts	-	341.61
Sundry Balances written off	81.22	100.17
Depreciation and amortisation expense	3,414.87	3,389.68
	<u>5,267.07</u>	<u>4,870.44</u>
Movements in working capital:		
(Increase)/decrease in trade and other receivables	(826.84)	78.86
(Increase)/decrease in other current financial assets	(1,027.96)	(936.81)
(Increase)/decrease in other current assets	(564.72)	(1,027.34)
Increase/(decrease) in trade payables	83.22	(270.84)
Increase/(decrease) in other non current financial liabilities	(1,893.91)	(1,029.60)
Increase/(decrease) in other non current liabilities	(84.14)	125.11
Increase/(decrease) in other current financial liabilities	643.03	252.61
Increase/(decrease) in other current liabilities	907.32	127.29
Cash generated from operations	2,503.07	2,189.72
Income tax paid/refund (net)	(305.49)	519.90
Net cash (used in)/generated by operating activities	2,197.58	2,709.62
Cash flows from investing activities		
Interest received	20.09	116.27
Capital expenditure on Intangible assets (including development)	(278.05)	(37.69)
Net Cash (used in) /generated by investing activities	(257.96)	78.58
Cash flows from financing activities		
Finance costs paid	(347.47)	(3,795.01)
Net Cash (used in)/generated by financing activities	(347.47)	(3,795.01)
Net increase in Cash and cash equivalents	1,592.15	(1,006.81)
Cash and cash equivalents at the beginning of the year	206.26	1,213.07
Cash and cash equivalents at the end of the year(Refer Note-7)	1,798.41	206.26

See accompanying notes to the financial statements

1-54

In terms of our report attached

For T R Chadha & Co. LLP

Chartered Accountants

Firm's Registration No. 006711N/N500028

Aashish Gupta
Partner
Membership No. 097343



Place: Delhi
Date: 12 June 2024

For and on behalf of the Board of Directors

Arvind
Arvind Kumar Mishra
Director
(DIN:08250280)

Suryamani
Suryamani Pandey
Director
(DIN:08250346)

Parsvnath Estate Developers Private Limited
CIN : U45400DL2007PTC166218

Statement of changes in equity for the year ended 31 March, 2024

A. Equity Share Capital

	Rs in lakhs
Balance as at 31 March, 2022	500.00
Changes in equity share capital during the year	-
Balance as at 31 March, 2023	500.00
Changes in equity share capital during the year	-
Balance as at 31 March, 2024	500.00

B. Other Equity (Refer Note-11)

Particulars	Reserves and Surplus		Total
	Retained earnings	Other Comprehensive Income	
Balance as at 31 March, 2022	(64562.66)	-	(64562.66)
Profit/(loss) for the year	(18,264.53)	-	(18,264.53)
Other comprehensive income for the year	-	-	-
Balance as at 31 March, 2023	(82827.20)	-	(82827.20)
Profit/(loss) for the year	(18,578.12)	-	(18,578.12)
Other comprehensive loss for the year	-	(0.03)	(0.03)
Balance as at 31 March, 2024	(101405.32)	(0.03)	(101405.35)

See accompanying notes forming part of the financial statements 1-54

In terms of our report attached

For T R Chadha & Co. LLP

Chartered Accountants

Firm's Registration No. 006711N/N500028

Aashish

Aashish Gupta

Partner

Membership No. 097343



For and on behalf of the Board of Directors

Arvind

Arvind Kumar Mishra

Director

(DIN:08250280)

Suryamani

Suryamani Pandey

Director

(DIN:08250346)

Place: Delhi

Date: 12 June 2024

PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED
CIN: U45400DL2007PTC166218
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

1. CORPORATE INFORMATION

PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED ("the Company") was incorporated on 24th July, 2007 under the name Farhat Developers Private Limited and became a subsidiary of Parsvnath Developers Limited with effect from 27th August, 2010. The name of the Company was changed to 'Parsvnath Estate Developers Private Limited' with effect from 22 November 2010 and fresh certificate of incorporation was issued by the Registrar of Companies, Delhi and Haryana. The Company is primarily engaged in the business leasing of commercial buildings.

2. Material 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 and presentation requirement of Division II of Schedule III to the Companies Act, 2013 (Ind AS Compliant Schedule III), as applicable to the financial statement.

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

2.2 Basis of measurement and presentation

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

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

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

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability

The principal accounting policies are set out below.

2.3 Revenue recognition

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

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



PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED
CIN: U45400DL2007PTC166218
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

- ii. In case of joint development projects, wherein land owner provides land and the Company acts as a developer and in lieu of land, the Company has agreed to transfer certain percentage of the revenue proceeds, the revenue is accounted on gross basis. In case, where, in lieu of the land, the Company has agreed to transfer certain percentage of constructed area, revenue is recognised in respect of Company's share of constructed area to the extent of Company's percentage share of the underlying real estate development project.
- iii. Revenue from sale of land without any significant development is recognised when the sale agreement is executed resulting in transfer of all significant risk and rewards of ownership and possession is handed over to the buyer. Revenue is recognised, when transfer of legal title to the buyer is not a condition precedent for transfer of significant risks and rewards of ownership to the buyer.
- iv. Revenue from sale of development rights is recognised when agreements are executed.
- v. Income from construction contracts is recognised by reference to the stage of completion of the contract activity at the reporting date of the financial statements. The related costs there against are charged to the Statement of Profit and Loss. The stage of completion of the contract is measured by reference to the proportion that contract cost incurred for work performed up to the reporting date bears to the estimated total contract cost for each contract. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.
- vi. The revenue on account of interest on delayed payment / transfer charge / forfeiture income and other associated charges by customers and expenditure on account of compensation / penalty for project delays are accounted for at the time of acceptance / settlement with the customers due to uncertainties with regard to determination of amount receivable / payable.
- vii. Income from licence fee is recognised on accrual basis in accordance with the terms of agreement with the sub-licensees.
- viii. Income from rent is recognised on accrual basis in accordance with the terms of agreement with the lessee.
- ix. Income from maintenance charges is recognised on accrual basis.
- x. Interest income on bank deposits is recognised on accrual basis on a time proportion basis. Interest income on other financial instruments is recognised using the effective interest rate method.

2.4 Leasing

Ind AS 116

The company has applied Ind AS 116 for recognition of revenue from leasing.

As a lessee

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment and intangible assets. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.



PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED
CIN: U45400DL2007PTC166218

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months and low-value asset. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As lessor

Receipts from operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease. Where the lease payments are structured to increase in line with expected general inflation to compensate for expected inflationary cost increases, lease income is recognised as per the contractual terms.

2.5 Borrowing costs

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

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

2.6 Employee benefits

a. Defined contribution plan

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

b. Defined benefit plan

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

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

 



PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED
CIN: U45400DL2007PTC166218
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

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

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

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

2.7 Taxation

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

Current tax

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

Deferred tax

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

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

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

Current and deferred tax for the year

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

Minimum Alternate Tax (MAT)

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

2.8 Property, plant and equipment

Property, plant and equipment is stated at their cost of acquisition/construction, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, directly attributable costs for making the asset ready for its intended use, borrowing costs attributable to construction of qualifying asset, upto the date the asset is ready for its intended use.

 



PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED
CIN: U45400DL2007PTC166218

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

Subsequent expenditure related to an item of property, plant and equipment is included in the carrying amount only if it increases the future benefits from the existing asset beyond its previously assessed standards of performance.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from the use. Any gain or loss arising on re-recognition to the asset is included in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'

2.9 Investment properties

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

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

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

2.10 Depreciation on property, plant and equipment and investment property

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

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

Free hold land is not depreciated.

2.11 Intangible assets and Intangible asset under development

Intangible assets comprises buildings constructed on 'Build-operate-Transfer' (BOT) basis. The company has unconditional right to use/lease such assets during the specified period. After expiry of specified period, these assets will get transferred to licensor without any consideration. Since, the Company has no ownership rights over these assets and has limited right of use during the specified period, these assets are classified as intangible assets. These intangible assets are initially recognised at their cost of construction. The cost comprises purchase price, directly attributable costs for making the asset ready for its intended use, borrowing costs attributable to construction of qualifying asset, upto the date the asset is ready for its intended use.

Subsequent to initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.



PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED
CIN: U45400DL2007PTC166218

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

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

Intangible assets are amortised on a straight line basis over the licence period (right to use) which ranges from 20 to 44 years.

2.12 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Investment in equity instrument of subsidiaries (including partnership firm) and associates

Investment in equity instrument of subsidiaries and associates are stated at cost as per Ind AS 27 'Separate Financial Statements'. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is assessed for recoverability and in case of permanent diminution provision for impairment is recorded in statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and carrying amount is charged or credited to the statement of Profit and Loss.

2.14 Inventories

Inventory comprises completed property for sale and property under construction (work-in-progress),

Land cost, construction cost, direct expenditure relating to construction activity and borrowing cost during construction period is inventorised to the extent the expenditure is directly attributable to bring the asset to its working condition for its intended use. Costs incurred/items purchased specifically for projects are taken as consumed as and when incurred/received.

- i. Completed unsold inventory is valued at lower of cost and net realisable value. Cost of inventories are determined by including cost of land (including development rights), internal development cost, external development charges, materials, services, related overheads and apportioned borrowing costs.
- ii. Work in progress is valued at lower of cost and net realisable value. Work-in-progress represents costs incurred in respect of unsold area of the real estate projects or costs incurred on projects where the revenue is yet to be recognised. Cost comprises cost of land (including development charges), internal development cost, external development charges, materials, services, overhead related to projects under construction and apportioned borrowing costs.



PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED
CIN: U45400DL2007PTC166218
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

2.15 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. When discounting is used the increase in the provisions due to the passage of time is recognised as finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts

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

2.16 Contingent liabilities and Contingent Assets

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

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

2.17 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.

2.18 Cost of revenue

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

2.19 Earnings per share

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

Diluted earnings per share is computed by dividing the net profit for the year attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.



PARSVNATH ESTATE DEVELOPERS PRIVATE LIMITED

CIN: U45400DL2007PTC166218

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

2.20 Foreign currency translations

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

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

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

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

2.21 Current/non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period;
- Cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

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

All other liabilities are classified as non-current.

2.22 Operating cycle

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

2.23 Optionally convertible redeemable preference shares and compulsorily convertible debentures

i) Optionally convertible redeemable preference shares

Optionally convertible redeemable preference share issued by wholly owned subsidiaries are accounted as investment carried at cost. In such instrument preference share are convertible with the option of company at any time before expiry of stipulated period from the date of issue



into such number as defined in agreement. This share shall be mandatorily be redeemed by subsidiaries companies on expiry of defined period from the date of issue. Amount is fixed at upfront and conversion will be into fixed number of shares.

ii) Compulsorily convertible debentures

Compulsorily convertible debentures issued by wholly owned subsidiaries companies are accounted as equity instrument carried at Cost based on the term of the contract. These instruments are convertible into fixed number of equity shares within the term stipulated in contract at the option of holder. Amount is fixed at upfront and conversion will be into fixed number of shares

2.24 Financial instruments

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

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

2.25 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

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

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

All other financial assets are subsequently measured at fair value.

Effective interest method

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to



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investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

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

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

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

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

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

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit -adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company's measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.



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When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Foreign exchange gains and losses

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

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



2.26 Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

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

Financial liabilities

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

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

Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

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

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

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

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



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

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

Financial liabilities subsequently measured at amortised cost

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

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

Financial guarantee contracts

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

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

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

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

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

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

Foreign exchange gains and losses

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

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



Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.27 Material 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.

2.28 Revenue recognition

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

2.29 Net realisable value of inventory

Inventory of real estate property including work-in-progress is valued at lower of cost and net realisable value (NRV). NRV of completed property is assessed by reference to market prices existing at the reporting date and based on comparable transactions made by the Company and/or identified by the Company for properties in same geographical area. NRV of properties under construction/development is assessed with reference to marked value of completed property as at the reporting date less estimated cost to complete. The effect of changes is recognised in the financial statements during the period in which such changes are determined.

2.30 Deferred tax assets

Recognition of deferred tax assets is based on estimates of taxable profits in future years. The Company prepares detailed cash flow and profitability projections, which are reviewed by audit committee and the board of directors of the Company.

2.31 Valuation of investments in subsidiaries

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

2.32 Others

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

- a. Classification of property as investment property or inventory
- b. Measurement of defined benefit obligations
- c. Useful life of property, plant and equipment
- d. Measurement of contingent liabilities and expected cash outflows
- e. Provision for diminution in value of long-term investments



A handwritten signature in blue ink, consisting of a stylized 'A' followed by a flourish.

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- f. Provision for expected credit losses
- g. Impairment provision for intangible assets

2.33 Recent accounting pronouncements

2.331 New and amended standards

The Ministry of Corporate Affairs (MCA) in consultation with National Financial Reporting Authority (NFRA) vide its notification dated 31 March 2023, had made certain amendments in Companies (Indian Accounting Standard Rules), 2015. The Company has not early adopted any standards or amendments that have been issued but are not yet effective. These amendments apply for the first time from the year ending 31 March 2024, but do not have a material impact on the financial statements of the Company.

2.332 New and amended standards, not yet effective

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

  

3. Other intangible assets

	As at 31-March-24	As at 31-March-23
	Rs in lakhs	Rs in lakhs
Net Carrying amounts of Assets on build-operate-transfer (BOT) basis:		
Assets on build-operate-transfer (BOT) basis:		
Building on leasehold land:		
- Given under operating lease	29,096.01	30,926.01
Plant and equipment	363.27	738.55
Furniture and fixture	1,719.20	2,001.47
Office equipment	390.41	251.51
Computers	5.20	10.92
	31,574.09	33,928.46
Right of use assets:		
Right of use assets	12,838.93	13,619.31
Right of use assets under development	12,838.93	13,619.35

3. Right of use assets:
Right of use assets
Right of use assets under development

	Building given under operating lease	Plant and equipment	Plant and equipment	Furniture and fixture	Office equipment	Computers	Total other intangibles	Right of use assets	Intangible assets under development
Balance as at 31 March, 2022	40,050.09	3,712.18	4,200.09	1,244.61	39.86	734.15	49,980.98	15,599.95	-
Additions		4.70					4.70		
Disposal									
Balance as at 31 March, 2023	40,050.09	3,716.88	4,200.09	1,244.61	39.86	734.15	49,985.68	15,599.95	-
Additions				280.08			280.08		
Disposal									
Balance as at 31 March, 2024	40,050.09	3,716.88	4,200.09	1,524.69	39.86	734.15	50,265.76	15,599.95	-
Accumulated amortisation									
Balance as at 31 March, 2022	7,299.07	2,604.51	1,917.12	868.64	39.86	717.19	13,446.39	1,201.75	-
Amortisation expense	1,825.01	373.82	281.50	124.46		6.04	2,610.83	778.85	-
Balance as at 31 March, 2023	9,124.08	2,978.33	2,198.62	993.10	39.86	723.23	16,057.22	1,980.60	-
Amortisation expense	1,830.00	375.28	282.27	141.18		5.72	2,634.45	780.42	-
Balance as at 31 March, 2024	10,954.08	3,353.61	2,480.89	1,134.28	39.86	728.95	18,691.67	2,761.02	-
Net Carrying amount									
Balance as at 31 March, 2023	30,926.01	738.55	2,001.47	251.51	-	10.92	33,928.46	13,619.35	-
Balance as at 31 March, 2024	29,096.01	363.27	1,719.20	390.41	-	5.20	31,574.09	12,838.93	-



(Signature)

(Signature)

Notes:

Intangible assets

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

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

BOT assets have been further bifurcated in:

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

b. Right of use assets

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



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Notes to the financial statements for the year ended 31 March, 2024

	As at 31-March-24	As at 31-March-23
	Rs in lakhs	Rs in lakhs
4. Other financial assets		
(Unsecured, Considered goods unless stated otherwise)		
I. Non-Current		
a. Security deposits to others	34.06	34.06
b. Margin money to holding company *	827.05	827.05
	861.11	861.11
* Refer dues from related party Note-36		
II. Current		
a. Security deposit to others	5.00	-
a. Interest accrued on deposits*	63.10	50.53
b. Other receivables	2,977.95	1,954.99
	3,046.05	2,005.52
* Refer dues from related party Note-36		
5. Inventories		
(lower of cost and net realisable value)		
a. Work-in-progress *	7,300.83	7,300.83
	7,300.83	7,300.83
Note:		
The Company has classified its inventory of work-in-progress as current.		
* Inventories includes land which is capitalised on the basis of possession letter and is subject to registered in the name of the Company		
Details of inventory expected to be realised after more than 12 months from the reporting date is as under:		
Less than 12 months	-	-
More than 12 months	7,300.83	7,300.83
	7,300.83	7,300.83
6. Trade receivables		
Current		
a. Unsecured, considered good	943.99	117.15
	943.99	117.15
(Refer Note-37 for Trade receivables ageing schedule)		
Note:		
1. The average credit period is 30 days. For payments, beyond credit period, interest as per terms of agreement with tenants.		
2. Trade receivables reflect rent receivable which is secured against security deposits received from tenants. Therefore, expected credit loss was not considered in such cases.		
7. Cash and cash equivalents		
a. Balances with banks		
i. in current accounts	1,798.40	205.98
ii. in deposit accounts (for less than 3 months)	-	-
b. Cash on hand	0.01	0.28
	1,798.41	206.26
8. Current tax assets (net)		
a. Tax refund receivable (Net of provision for income tax)*	734.53	438.39
	734.53	438.39
*includes, the income tax authorities have adjusted an income tax refund of Rs. 285.59 Lakh against the income tax demand for AY 2016-17 as per order dated 25th July 2019 Management is in the process of filing an application for the refund of this amount which they believe is recoverable.		
9. Other assets		
(Unsecured, Considered goods unless stated otherwise)		
I. Non-Current		
a. Capital advances	1.50	8.56
	1.50	8.56
II. Current		
a. Advance for purchase of land to related parties *	40,386.20	39,858.27
b. Advances to vendors	16.80	25.11
c. Prepaid expenses	42.37	31.96
d. GST credit receivables	9.95	56.48
	40,455.32	39,971.82
* Refer advance for purchase of land to related party Note-36		



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Notes to the financial statements for the year ended 31 March, 2024

10 .Equity Share Capital

	As at 31-March-24	As at 31-March-23
	Rs in lakhs	Rs in lakhs
Equity share capital	500.00	500.00
	500.00	500.00

Authorised Share Capital
Class A

37,75,000 (as at 31 March, 2023: 37,75,000) Class A equity shares of Rs. 10 each	377.50	377.50
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Class B

12,25,000 (as at 31 March, 2023: 12,25,000) Class B equity shares of Rs. 10 each	122.50	122.50
---	--------	--------

500.00	500.00
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Issued, subscribed and fully paid up capital
Class A

37,75,000 (as at 31 March, 2023: 37,75,000) fully paid Class A equity shares of Rs. 10 each	377.50	377.50
--	--------	--------

Class B

12,25,000 (as at 31 March, 2023: 12,25,000) fully paid Class B equity shares of Rs. 10 each	122.50	122.50
--	--------	--------

500.00	500.00
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10.1- Reconciliation of share capital

	Class A		Class B	
	Number of Shares in	Share Capital Rs./lacs	Number of Shares in	Share Capital Rs./lacs
Balance as at March 31, 2022	37,75,000	377.50	12,25,000	122.50
Movements during the year	-	-	-	-
Balance as at March 31, 2023	37,75,000	377.50	12,25,000	122.50
Movements during the year	-	-	-	-
Balance as at March 31, 2024	37,75,000	377.50	12,25,000	122.50

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

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

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

	As at 31-March-24	As at 31-March-23
	No of shares	No of shares
Parsvnath Developers Limited, the holding company		
Class A Shares	37,75,000	37,75,000
Class B Shares	12,25,000	12,25,000

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

	As at 31-March-24		As at 31-March-23	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
i. Class A Parsvnath Developers Limited	37,75,000	100.00%	37,75,000	100.00%
ii. Class B Parsvnath Developers Limited	12,25,000	100.00%	12,25,000	100.00%



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Notes to the financial statements for the year ended 31 March, 2024

10.5- Shareholding of promoters:
Shareholding As at 31 March, 2024

Sr. No.	Class of equity Shares	Promoter's Name	Nos. of shares at the beginning of the year	Change during the year	Nos. of shares at the end of the year	% of total shares	% change during the year
1.	Class A Shares	Parsvnath Developers Limited & its Nominee	37,75,000	-	37,75,000	75.50%	0.00%
2.	Class B shares	Parsvnath Developers Limited	12,25,000	-	12,25,000	24.50%	0.00%
TOTAL			50,00,000	-	50,00,000	100%	0.00%

Shareholding As at 31 March, 2023

Sr. No.	Class of equity Shares	Promoter's Name	Nos. of shares at the beginning of the year	Change during the year	Nos. of shares at the end of the year	% of total shares	% change during the year
1.	Class A Shares	Parsvnath Developers Limited & its Nominee	37,75,000	-	37,75,000	75.50%	0.00%
2.	Class B shares	Parsvnath Developers Limited	12,25,000	-	12,25,000	24.50%	0.00%
TOTAL			50,00,000	-	50,00,000	100%	0.00%



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Notes to the financial statements for the year ended 31 March,2024

	As at 31-March-24 Rs in lakhs	As at 31-March-23 Rs in lakhs
11. Other equity (Refer statement of change in equity)		
a. Retained earnings	(1,01,405.32)	(82,827.20)
b. Other comprehensive income	(0.03)	-
	(1,01,405.35)	(82,827.20)
a. Retained earnings		
Balance at the beginning of the year	(82,827.20)	(64,562.66)
Profit/(loss) for the period/year	(18,578.12)	(18,264.53)
Balance at the end of the year	(1,01,405.32)	(82,827.20)
b. Other comprehensive income		
Balance at the beginning of the year	-	-
Add: Remeasurement of defined benefit obligation (net of income tax)	(0.03)	-
	(0.03)	-

Nature and purpose of reserves:

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



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	As at 31-March-24	As at 31-March-23
	Rs in lakhs	Rs in lakhs
12. Borrowings		
A Non current		
Secured - at amortised cost		
a. Term loan		
- From others		
a. Debentures		
Non Convertible Debentures - Junior	1,01,880.00	1,01,880.00
Non Convertible Debentures- Senior Series A	10.00	1,168.18
Non Convertible Debentures - Senior Series B	-	13,504.53
	1,01,890.00	1,16,552.71
B Current		
Secured - at amortised cost		
a. Current maturities of long term debt		
Debentures		
Non Convertible Debentures- Senior Series A	2,408.18	1,250.00
Non Convertible Debentures - Senior Series B	27,254.53	13,750.00
	29,662.71	15,000.00

A. Security details

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

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

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

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



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

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

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

Debentures was due for partial redemption by Rs.1,168.18 lacs as on 31 March, 2024 and funds are available for repayment in the lender controlled escrow account but the lender has not appropriated the same.The balance is due for redemption on 31st March, 2025.

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

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

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

Debentures were due for partial redemption by Rs.13504.53 lakhs as on 31 March, 2024.The Company has requested with debenture holders for extension of redemption of debentures till 31st March, 2025.

B. There were some delays in repayment of interest during the year which were regularised before the end of the year.The amount of defaults at the end of the year as given below:

	As at 31-March-24		As at 31-March-23	
	Period of defaults	Rs in lakhs	Period of defaults	Rs in lakhs
Term loan from others				
- Principal	1 day	13,504.53	-	-
- Interest	1 to 425 days	7,004.48	1 to 60 days	1,542.78



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Notes to the financial statements for the year ended 31 March,2024

	As at 31-March-24	As at 31-March-23
	Rs in lakhs	Rs in lakhs
13. Trade Payables *		
Current		
a. Total outstanding dues of micro enterprises and small enterprises	-	-
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	178.03	94.78
	178.03	94.78
* Refer Note-38 for Trade payables ageing schedule		
Note:		
As per the information available with the Company, trade payables do not include any amount due to Micro and Small Enterprises as defined under 'Micro, Small and Medium Enterprises Developments Act, 2006' (MSMED Act, 2006) and no interest has been paid or payable in terms of MSMED Act, 2006.		
14. Other financial liabilities *		
(i) Non current		
a. Security deposits received-Vendors	-	901.57
b. Security deposits received	175.89	-
c. Interest accrued but not due	43,855.87	32,084.64
	<u>44,031.76</u>	<u>32,986.21</u>
d. Lease liability	11,681.57	11,627.82
	55,713.33	44,614.03
14. Other financial liabilities *		
(ii) Current		
a. Security deposits received	3,148.14	2,568.93
b. Security deposits received- Vendors	68.46	-
c. Payables on purchase of fixed assets	68.70	73.73
d. Employees dues	10.12	14.76
e. Interest accrued and due	7,004.48	1,542.78
f. Interest accrued but not due	1,569.29	-
	<u>11,869.19</u>	<u>4,200.20</u>
* Carrying amount of these financial liabilities are reasonable approximation of their fair value.		
15. Other liabilities		
I. Non current		
a. Rent received in advance	35.24	120.11
	<u>35.24</u>	<u>120.11</u>
II. Current		
a. Statutory liabilities	555.04	1.82
b. Advance from customers	445.63	77.95
c. Rent received in advance	105.08	117.93
	<u>1,105.75</u>	<u>197.70</u>
16. Provisions		
I. Non current		
a. Employee benefits	5.73	5.00
	<u>5.73</u>	<u>5.00</u>
II. Current		
a. Employee benefits	0.13	0.12
	<u>0.13</u>	<u>0.12</u>
Break-up is as under:		
Provision for gratuity (Refer Note-30)	4.07	3.40
Provision for compensated absences	1.79	1.72
	<u>5.86</u>	<u>5.12</u>



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Notes to the financial statements for the year ended 31 March,2024

	As at 31-March-24	As at 31-March-23
	Rs in lakhs	Rs in lakhs
17. Deferred tax assets (net)		
Deferred tax liabilities	-	-
Deferred tax assets	-	-
Net	-	-

Notes:

1. The Company has tax losses of Rs. 31,960.83 lakhs (31 March, 2023 - Rs. 15,417.94 lakhs) that are available for off setting for eight years against future taxable income of the Company. The losses will expire as under:

	Current Year Rs. in lakhs	Previous Year Rs. in lakhs
Year ending 31 March, 2031	15,417.94	15,417.94
Year ending 31 March, 2032	16,542.89	-
Total	31,960.83	15,417.94

2. On a prudence basis, the Company has not recognised deferred tax assets (DTA) on brought forward losses and other items.



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	Year ended 31 March ,2024	Year ended 31 March, 2023
	Rs in lakhs	Rs in lakhs
18. Revenue from operations		
a. Lease income received	6,682.53	5,023.78
b. Maintenance charges income	626.61	546.89
	7,309.14	5,570.67
19. Other income		
a. Interest income:		
i. on deposits with bank	0.01	6.64
ii. on deposits with others	13.97	13.93
iii. on income tax refund	18.68	106.29
b. Excess provision written back	-	152.21
c. Miscellaneous income	1.94	1.67
	34.60	280.74
20. Changes in inventories of work-in-progress		
a. Inventories at the beginning of the year		
i. Work-in-progress	7,300.83	7,300.83
b. Inventories at the end of the year		
i. Work-in-progress	7,300.83	7,300.83
c. Net (increase) /decrease	-	-
21. Employee benefits expense		
a. Salaries and wages	18.54	27.95
b. Staff Welfare expenses	2.48	1.62
	21.02	29.57
22. Finance costs		
a. Interest expenses:		
i. on borrowings	19,138.10	17,764.62
a. On lease liability	1,021.43	1,229.67
b. On amortised cost instruments	200.55	102.71
	20,360.08	19,097.00
iii. Other borrowing cost	11.59	28.03
	20,371.67	19,125.03
23. Depreciation and amortisation expense		
a. Amortisation of intangible assets	2,634.45	2,610.83
b. Amortisation of right of use assets	780.42	778.85
	3,414.87	3,389.68



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	Year ended 31 March ,2024	Year ended 31 March, 2023
	Rs in lakhs	Rs in lakhs
24. Other expenses		
a. Power and fuel	265.97	236.23
b. Lease rentals	7.93	7.59
c. Repair and maintenance - Building	431.97	284.49
d. Repair and maintenance - Others	127.88	58.31
e. Insurance	16.37	16.20
f. Rates and taxes	750.55	10.08
g. Postage and telegram	0.16	-
h. Printing and stationery	0.25	0.16
i. Advertisement and business promotion	1.51	1.41
j. Brokerage	304.27	40.32
K. Legal and professional charges	87.60	142.51
l. Payment to auditors(see note below)	5.00	4.35
m. Stamp duty	21.49	23.07
n. Sundry balances written off	81.22	100.17
o. Expense for doubtfull debts	-	341.61
p. Miscellaneous expenses	2.78	0.88
	2,104.95	1,267.38
Payment to auditors (net of GST credit)		
i. Statutory audit fee (Payment to current auditor)	5.00	3.50
ii. Reimbursement of out of pocket expenses	-	0.85
	5.00	4.35



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Notes to the financial statements for the year ended 31 March,2024

	Year ended 31 March, 2024	Year ended 31 March, 2023
	Rs. in lakhs	Rs. in lakhs
25 Income tax		
i. Income tax expense/(benefit) recognised in Statement of Profit and Loss		
Current tax		
In respect of the current year	9.35	166.00
Tax adjustment for earlier years	-	138.28
	9.35	304.28
Deferred tax		
In respect of the current year	-	-
	-	-
Total income tax expense recognised	9.35	304.28
ii. Income tax expense/(benefit) reconciliation with effective tax rate on accounting profit:		
Profit/(loss) before tax	(18,568.77)	(17,960.25)
Income tax expense calculated at 26% (2023-24: 26%)	(4,827.88)	(4,669.67)
Effect of expenses that are not deductible in determining taxable profit	5,300.10	6,191.44
Effect of Tax impact of utilisation of brought forward losses	-	(949.00)
Effect of Tax benefit of assets assessed Under House Property	(462.74)	(406.77)
Income tax adjustment for earlier years	-	138.28
Income tax expense/(benefit) recognised in statement of profit and loss	9.48	304.28
Effective tax (in %)	-0.05%	-1.69%
The tax rate used for the years 2023-24 and 2022-23 reconciliations above is the corporate tax rate of 25% plus cess of 4% on corporate tax, payable by corporate entities in India on taxable profits under the Indian tax law.		
iii. Income tax recognised in other comprehensive income		
Remeasurements of defined benefit obligation	-	-
Total income tax recognised in other comprehensive income	-	-



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Notes to the financial statements for the year ended 31 March,2024

26. The Company does not have any pending litigations which would impact its financial position except the case mentioned below:

Particulars	As at 31-March- 2024	As at 31-March- 2023
	Rs in Lakhs	Rs in Lakhs
a. Claim against the Company not acknowledged as debts :		
i. Civil cases against the Company (Refer Note 27)	-	194.41

27. Parsvnath Estate Developers Pvt. Ltd. (PEDPL) Vs Facebook India online Services Pvt. Ltd.

The Company had entered into Sub License Agreement and Maintenance Agreement dated 11.05.2017 with Facebook India online Services Pvt. Ltd. Facebook has deposited 6 months sub-license fee and maintenance fees amounting to Rs. 458.39 Lakhs as a refundable interest free security deposit.

Facebook has filed an application under Arbitration and Conciliation Act, 1996 for refund of security deposit along with interest and PEDPL has also filed the recovery of claim of Rs.1,345.06 Lakhs.

The Arbitrator has pronounced the award on 12.09.2022, direct PEDPL to refund the security deposit of Rs. 458.49 Lakhs alongwith interest at the rate of 15% per annum from 03.06.2020 till its realisation. Vide the said Award, the Sole Arbitrator has also dismissed the claim of PEDPL for the recovery of unpaid license fees from the Facebook.

The matter has been settled between the parties for an amount of USD 532,000/- which is equivalent to Rs. 4,42,18,181/- and make the payment of settlement within 90 days form the date of signing of agreement i.e. 01.04.2024.

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

29. Commitments

i. Capital Commitments

	As at 31 March, 2024	As at 31 March, 2023
	Rs in lakhs	Rs in lakhs
Estimated amount of contracts remaining to be executed on capital account (net of advances)	-	-
ii. Bank gurantee issued by the holding company	672.00	672.00

30. Employee benefit plan

(A) Defined benefit plan

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

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

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

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

Particulars	As at 31- March-2024	As at 31- March-2023
	Rs. in lakhs	Rs. in lakhs
i Components of employer's expenses:		
Current service cost	0.38	0.36
Past service cost	-	(1.17)
Interest cost	0.25	-
Actuarial (gain)/loss	0.03	-
Net charge/(credit)	0.67	(0.81)
ii Actual contribution and benefit		
Actual benefit payments	-	-
Actual contributions	-	-



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Notes to the financial statements for the year ended 31 March,2024

iii Net liabilities/ (assets) recognised in		
Present value of defined benefit obligation	4.07	3.40
Fair value of plan assets	-	-
Net liabilities/ (assets) recognised in the balance sheet	4.07	3.40
Note: The fair value of plan assets is Nil, since defined benefit plans are unfunded.		
Short-term provisions	0.09	0.08
Long-term provisions	3.98	3.32
	4.07	3.40
iv Change in defined benefit obligation		
Present value of defined benefit obligation at beginning of the year	3.40	8.09
Current service cost	0.38	0.36
Past service Cost including curtailment Gains/Losses	-	(1.17)
Interest cost	0.25	-
Actuarial (gains)/losses on obligations	0.03	-
Benefits paid	-	(3.88)
Present value of defined benefit obligation at the end of the year	4.07	3.40
v Other comprehensive income (OCI)		
Remeasurement of defined benefit obligation	(0.03)	-
vi Balance sheet reconciliation		
Net liability at the beginning of the year	3.40	8.09
Expenses recognised/(reversed) during the year	0.64	(0.81)
Actuarial (gains)/losses	0.03	-
Benefits paid	-	(3.88)
Amount recognised in the balance sheet	4.07	3.40
vii Experience adjustments:		
Particulars	As at 31- March-2024	As at 31- March-2023
i. Present value of Defined Benefit Obligation	4.07	3.40
ii. Fair Value of plan assets	-	-
iii. Funded status [Surplus/ (Deficit)]	(4.07)	(3.40)
iv. Experience (gain)/loss adjustments on plan liabilities	0.03	-
v. Experience gain/loss adjustments on plan	-	-
viii Actuarial assumptions		
	As at 31- March-2024	As at 31- March-2023
a. Financial assumptions		
i. Discount rate (p.a.)	7.22%	7.39%
ii. Salary escalation rate (p.a.)	5.50%	5.50%
b. Demographic assumptions		
i. Retirement age	70 years	70 years
ii. Mortality rate	100% of Indian Assured Lives Mortality (2012-14)	100% of Indian Assured Lives Mortality (2012-14)
- Withdrawal rate		
Upto 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00



ix Sensivity analysis

The sensitivity of the plan obligations to changes in key assumptions are:

		Change in assumption	Change in plan obligation Rs. in lakhs
Discount rate	Increase	0.50%	(0.24)
	Decrease	0.50%	0.26
Salary escalation rate	Increase	0.50%	0.26
	Decrease	0.50%	(0.24)

(B) Actuarial assumptions for long-term compensated absences

a. Financial assumptions

	As at 31- March-2024	As at 31- March-2023
i. Discount rate (p.a.)	7.22%	7.39%
ii. Salary escalation rate (p.a.)	5.50%	5.50%

b. Demographic assumptions

i. Retirement age	70 years	70 years
ii. Mortality rate	100% of Indian Assured Lives Mortality (2012-14)	100% of Indian Assured Lives Mortality (2012-14)
- Withdrawal rate		
Upto 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

31. Segment reporting

The chief operating decision maker ('CODM') for the purpose of resource allocation and assessment of segments performance focuses on Real Estate, thus operates in a single business segment. The Company is operating in India, which is considered as single geographical segment. Accordingly, the reporting requirements for segment disclosure as prescribed by Ind AS 108 are not applicable.

There are 5 customers contributed 10% or more to the Company's revenue during the year 2023-24

32. Earnings per share

		As at 31 March, 2024	As at 31 March, 2023
i.	Net loss for calculation of basic and diluted earnings per share (Rs. In lakhs)	(18,578.15)	(18,264.53)
ii.	Weighted average number of equity shares outstanding during the year	50,00,000	50,00,000
iii.	Basic earnings per share	Rs. (371.56)	Rs. (365.29)
iv.	Diluted earnings per share	Rs. NA	Rs. NA
v.	Nominal value of equity shares	Rs. 10	Rs. 10

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

	Year ended 31 March, 2024 Rs. in lakhs	Year ended 31 March, 2023 Rs. in lakhs
a. Legal and professional charges	-	-
b. Licence fee	-	-
c. Labour Cess	-	-
d. Compounding charges	-	-
	-	-



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Notes to the financial statements for the year ended 31 March, 2024

34. Details of borrowing costs capitalised during the year:

	Year ended 31 March, 2024	Year ended 31 March, 2023
	Rs. in lakhs	Rs. in lakhs
a. Intangible assets under development	-	-

35. Corporate social responsibility

In terms of provisions of section 135 of the Companies Act, 2013, the Company was not required to spend on Corporate Social Responsibility (CSR) during the year in view of the continuing losses during the last three years and there is no unspent amount towards Corporate Social Responsibilities (CSR) under section (5) of Section 135 of the Act pursuant to any project during the financial year ending 31 March, 2024.

36. Related party disclosures

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

- (a) **Holding Company :-**
- Parsvnath Developers Limited (PDL)
- (b) **Director's Details :-**
- Deepa Gupta
- Arvind Kumar Mishra
- Surya Mani Pandey

ii. Balances outstanding/transactions with related parties

	Holding Company	Holding Company	Director's	Director's
	Rs. In lakhs	Rs. In lakhs	Rs. In lakhs	Rs. In lakhs
	Current year	Previous year	Current year	Previous year
(a) Transactions during the year				
Director sitting fees	-	-	0.50	0.40
Interest income on deposits	13.97	13.93	-	-
Advance paid	300.68	18.07	-	-
Advance paid for purchase of land	527.93	998.79	-	-
Advances received back	300.68	18.07	-	-
(b) Balances at year-end				
Margin money (asset)	827.05	827.05	-	-
Interest accrued on deposits	63.10	50.53	-	-
Advance for purchase of land	40,386.20	39,858.27	-	-
Gurantees received	672.00	672.00	-	-
Financial quarantees issued by PDL	40,000.00	40,000.00	-	-

Notes:

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



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Notes to the financial statements for the year ended 31 March,2024

37 Ageing of Trade Receivables

Rs in lakhs

Ageing of Receivables balances as at 31-03-2024							
Particulars	Unbilled dues	Less than 6 Months	6 Months – 1 Year	1 – 2 Years	2 – 3 Years	More than 3 Yrs	Total
(i) Undisputed Trade Receivables – Considered Goods	-	862.14	81.85				943.99
(ii) Undisputed Trade Receivables – Considered Doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables – Considered Goods	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – Considered Doubtful	-	-	-	-	-	-	-
Total	-	862.14	81.85	-	-	-	943.99

Rs in lakhs

Ageing of Receivables balances as at 31-03-2023							
Particulars	Unbilled dues	Less than 6 Months	6 Months – 1 Year	1 – 2 Years	2 – 3 Years	More than 3 Yrs	Total
(i) Undisputed Trade Receivables – Considered Goods	-	21.50					21.50
(ii) Undisputed Trade Receivables – Considered Doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables – Considered Goods	-	-	-		95.65	-	95.65
(iv) Disputed Trade Receivables – Considered Doubtful	-	-	-	-	-	-	-
Total	-	21.50	-	-	95.65	-	117.15

38 Ageing of Trade Payables

Rs in lakhs

Ageing of Outstanding balances as at 31-03-2024						
Particulars	Unbilled dues	Less than 1 Year	1 – 2 Years	2 – 3 Years	More than 3 Yrs	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	38.99	121.54	2.77	6.34	8.39	178.03
(iii) Disputed Dues – MSME	-	-	-	-	-	-
(iv) Disputed Dues – Others	-	-	-	-	-	-
Total	38.99	121.54	2.77	6.34	8.39	178.03

Rs in lakhs

Ageing of Outstanding balances as at 31-03-2023						
Particulars	Unbilled dues	Less than 1 Year	1 – 2 Years	2 – 3 Years	More than 3 Yrs	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	35.87	43.94	6.39		8.58	94.78
(iii) Disputed Dues – MSME	-	-	-	-	-	-
(iv) Disputed Dues – Others	-	-	-	-	-	-
Total	35.87	43.94	6.39	-	8.58	94.78



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Notes to the financial statements for the year ended 31 March,2024

39. OTHER STATUTORY INFORMATION FOR THE YEAR ENDED 31 MARCH 2024 AND 31 MARCH 2023:

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

40. Company has not outstanding derivative or foreign currency exposure at the end of current year and previous year.

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

42. In the opinion of the Board of directors and management , Current and non current assets do have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and liabilities are stated at least at the value they are expected to be settled in the ordinary course of business though balance confirmation in certain cases are not available.



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Notes to the financial statements for the Year ended 31 March, 2024

43 Following Ratios to be disclosed:-

Particulars	As on 31.03.2024	As on 31.03.2023	% Variance	Reason if % change is more than 25% change
Current Ratio	1.25	2.54	-51%	Decrease in ratio due to reclassification of borrowing under current liabilities.
Debt – Equity Ratio	-1.30	-1.60	-18%	Not Applicable
Debt Service Coverage Ratio	0.26	0.24	-	Not Applicable
Return on Equity Ratio	18.41%	22.19%	-17%	Not Applicable
Inventory Turnover Ratio	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Trade Receivables Turnover Ratio	13.78	35.58	-61%	Decrease in ratio due to increase in average trade receivable.
Trade Payables Turnover Ratio	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Net Capital Turnover Ratio	0.68	0.19	268%	Increase in ratio due to decrease in working capital which is due to reclassification of borrowing under current liabilities.
Net Profit Ratio	-254.18%	-327.87%	-22%	Not Applicable
Return on Capital Employed	0.06	0.02	163%	Increase in ratio due to decrease in capital Employed which is primarily due to losses incurred during the year.
Return on Investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Formula used:

Particulars	As on 31.03.2024	As on 31.03.2023
Current Ratio	Current Assets / Current Liabilities	Current Assets / Current Liabilities
Debt – Equity Ratio	Total Debts / Net Worth (Excluding DRR)	Total Debts / Net Worth (Excluding DRR)
Debt Service Coverage Ratio	EBIDTA/Interest+ Principal	EBIDTA/Interest+Principal
Return on Equity Ratio	Net Income / Shareholder Equity	Net Income / Shareholder Equity
Inventory Turnover Ratio	Turnover / (Opening Inventories + Closing Inventories)/2	Turnover / (Opening Inventories + Closing Inventories)/2
Trade Receivables Turnover Ratio	Total Turnover including other income / Average Debtors	Total Turnover including other income / Average Debtors
Trade Payables Turnover Ratio	Net Annual Credit Purchase / Average Account Payables	Net Annual Credit Purchase / Average Account Payables
Net Capital Turnover Ratio	Net Annual Sales / Average Working Capital	Net Annual Sales / Average Working Capital
Net Profit Ratio	Profit / (losss) after tax for the period / Total Turnover including Other Income	Profit / (losss) after tax for the period / Total Turnover including Other Income
Return on Capital Employed	Earning Before Interest & Taxes / Total Assets - Current Liabilities	Earning Before Interest & Taxes / Total Assets - Current Liabilities
Return on Investment	Net Operating Profit After Tax / Invested Capital	Net Operating Profit After Tax / Invested Capital



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Notes to the financial statements for the Year ended 31 March, 2024

44 Financial Instruments

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

	As at 31-March-24			As at 31-March-23				
	Total	Amortised Cost	At cost	FVTPL	Total	Amortised Cost	At cost	FVTPL
Financial assets								
i. Trade receivables	943.99	943.99	-	-	117.15	117.15	-	-
ii. Cash and cash equivalents	1,798.41	1,798.41	-	-	206.26	206.26	-	-
iii. Other financial assets	3,907.16	3,907.16	-	-	2,866.63	2,866.63	-	-
Total financial assets	6,649.56	6,649.56	-	-	3,190.04	3,190.04	-	-
Financial liabilities								
i. Borrowings	1,31,552.71	1,31,552.71	-	-	1,31,552.71	1,31,552.71	-	-
ii. Trade Payables	178.03	178.03	-	-	94.78	94.78	-	-
iii. Other financial liabilities	55,900.95	55,900.95	-	-	37,186.41	37,186.41	-	-
iv. Lease liabilities	11,681.57	11,681.57	-	-	11,627.82	11,627.82	-	-
Total financial liabilities	1,99,313.26	1,99,313.26	-	-	1,80,461.72	1,80,461.72	-	-

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



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Notes to the financial statements for the year ended 31 March, 2024

45. Operating lease arrangements - As lessee

The Company has entered into Concession Agreements with Delhi Metro Rail Corporation (DMRC) and has acquired the License Rights to develop properties and sub license it to the customers for a defined period of time. License fee payable to DMRC over the concession period has been recognised as 'Right of use assets' and 'lease liabilities' as at 1 April, 2019 as per Ind AS 116.

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

i. Right-of-use assets

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

	Building	Building under development	Total
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
Balance as at 31 March, 2022	14,398.20	-	14,398.20
Additions during the year	-	-	-
Disposal/Adjustments during the year	-	-	-
	14,398.20	-	14,398.20
Less: Amortisation expense during the year	778.85	-	778.85
Balance as at 31 March, 2023	13,619.35	-	13,619.35
Additions during the year	-	-	-
Disposal/Adjustments during the year	-	-	-
	13,619.35	-	13,619.35
Less: Amortisation expense during the year	780.42	-	780.42
Balance as at 31 March, 2024	12,838.93	-	12,838.93

Notes:

- a. The depreciation expense of Rs. 780.42 lakhs (Previous year Rs. 778.85 lakhs) on right-of-use assets is included under depreciation and amortisation expense in the statement of Profit and Loss.
- b. The following is the summary of practical expedients elected on initial application:
 - (i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
 - (ii) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application or low value leases.
 - (iii) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
 - (iv) Applied the practical expedient to assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

ii. Lease liability

The following is the movement in lease liabilities during the year ended 31 March, 2024:

	As at 31-March-2024	As at 31-March-2023
	Rs. in lakhs	Rs. in lakhs
Balance at the Beginning of the year	11,627.82	11,123.91
Additions	-	-
Disposal/Adjustments	-	-
	11,627.82	11,123.91
Add: Finance cost accrued during the year	1,021.43	1,229.67
Less: Payment of lease liabilities	967.68	725.76
Balance at the end	11,681.57	11,627.82
Current	-	-
Non-current	11,681.57	11,627.82
	11,681.57	11,627.82



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Notes to the financial statements for the year ended 31 March, 2024

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

The table below provides details regarding the contractual cash flows of lease liabilities as at 31 March, 2024 on an undiscounted basis:

	As at 31-March-2024	As at 31-March-2023
	Rs. in lakhs	Rs. in lakhs
Due within one year	1,064.45	967.68
Due later than one year and not later than five years	4,993.23	4,664.22
Due later than five years	23,239.56	24,633.01
Total undiscounted lease liabilities	29,297.24	30,264.91

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

	Year Ended 31-March-2024	Year Ended 31-March-2023
	Rs. in lakhs	Rs. in lakhs
Interest on lease liabilities	1,021.43	1,229.67
Depreciation on right of use assets	780.42	778.85
Expenses relating to short-term and low value leases	7.93	7.59
	1,809.78	2,016.11

Note:

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

v. **Amounts capitalised to Intangible assets**

	Year Ended 31-March-2024	Year Ended 31-March-2023
	Rs. in lakhs	Rs. in lakhs
Interest on lease liabilities	-	-
Depreciation on Intangible assets	-	-
	-	-

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

a. **As a lessee (expenses)**

Lease contracts held for transfer
Other short-term lease contracts

	Year Ended 31-March-2024	Year Ended 31-March-2023
	Rs. in lakhs	Rs. in lakhs
	-	-
	7.93	7.59
	7.93	7.59

46. Operating lease arrangements - As lessor

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

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

	Year ended 31 March, 2024	Year ended 31 March, 2023
	Rs. in lakhs	Rs. in lakhs
Recognised in statement of profit and loss		
a. Licence fee income	-	-
B. Recognised in statement of profit and loss	6,682.53	5,023.78
	6,682.53	5,023.78

The total of future minimum lease receivables are as follows:

	Year ended 31 March, 2024	Year ended 31 March, 2023
	Rs. in lakhs	Rs. in lakhs
a. Not later than one year	6,922.22	2,324.35
b. Later than one year but not later than five years	8,102.58	3,686.80
c. Later than five years	4,145.03	-
	19,169.83	6,011.15



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Notes to the financial statements for the year ended 31 March, 2024

47. Financial Risk Management

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

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

Liquidity Risk

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

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

	Rs. in lakhs				
	Carrvino amount	Pavable within 1 year	Pavable in 1-3 years	Pavable in 3-5 years	Pavable more than 5 years
As at 31 March, 2024					
Borrowings	1,31,552.71	29,662.71	1,01,890.00	-	-
Trade payables	178.03	178.03	-	-	-
Other financial liabilities	55,900.95	11,869.19	44,031.76	-	-
Lease liabilities	11,681.57	-	-	-	11,681.57
	1,99,313.26	41,709.93	1,45,921.76	-	11,681.57
As at 31 March, 2023					
Borrowings	1,31,552.71	15,000.00	65,612.71	50,940.00	-
Trade payables	94.78	94.78	-	-	-
Other financial liabilities	37,186.41	4,200.20	17,693.71	15,292.50	-
Lease liabilities	11,627.82	-	-	-	11,627.82
	1,80,461.72	19,294.98	83,306.42	66,232.50	11,627.82

Market risk

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

A. Interest rate risk

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

Interest rate sensitivity analysis

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

	As at 31 March, 2024	As at 31 March, 2023
	Rs. in lacs	Rs. in lacs
Variable rate borrowings		
Long Term	-	-
Short Term	-	-
Total Variable rate Borrowing	-	-
Fixed Rate Borrowings		
Long Term	1,31,552.71	1,31,552.71
Short Term	-	-
Total Fixed rate Borrowing	1,31,552.71	1,31,552.71
Total Borrowing	1,31,552.71	1,31,552.71






Sensitivity

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

B. Price risk

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

Credit Risk

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

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

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

	As at 31 March, 2024	As at 31 March, 2023
	Rs. in lakhs	Rs. in lakhs
Outstanding for more than 6 months	81.85	95.65
Outstanding for 6 months or less	862.14	21.50
	943.99	117.15

48. Capital Management

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

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

	As at 31 March, 2024	As at 31 March, 2023
	Rs. in lacs	Rs. in lacs
Borrowings:		
- Long term	1,31,552.71	1,31,552.71
- Short term	-	-
Total borrowings - A	1,31,552.71	1,31,552.71
Equity		
- Share capital	500.00	500.00
- Other equity	(1,01,405.32)	(82,827.20)
Total Equity - B	(1,00,905.32)	(82,327.20)
Debt to equity ratio (A/B)	(1.30)	(1.60)

49. The Company has entered into long-term leasing arrangements, which ensures regular leasing income. Although, net worth of the Company has fully eroded, the management believes that the Company does not have any issue to meet its obligations. Moreover, the holding company has also committed financial support. Accordingly, these financial statements have been prepared on the fundamental assumption of going concern.

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

51. The company has not complied with Section 6(1) of the Security and Exchange Board of India (Listing obligations and disclosures requirements) Regulations 2015 which mandates every listed company to appoint a compliance officer.

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

53. Events after the reporting period

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

54. Approval of the financial statements

The financial statements were approved for issue by Board of Directors on 12th June, 2024

For T R Chadha & Co LLP

Chartered Accountants
Firm's Registration No. 006711N/NS00028

Aashish Gupta
Partner
Membership No. 097343

Place: Delhi
Date: 12th June, 2024

For and on behalf of the Board of Directors

Arvind Kumar Mishra
Director
(DIN:08250280)

Suryamani Pandey
Director
(DIN:08250346)