S.R. BATLIBOI & CO. LLP
Chartered Accountants

2nd & 3rd Floor
Golf View Corporate Tower - B
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INDEPENDENT AUDITOR'S REPORT

To the Members of DLF Homes Panchkula Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of DLF Homes Panchkula Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2022 the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' 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 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 34 to the Ind AS financial statements which describes the uncertainties and the management's assessment of the financial impact due to restrictions and conditions related to Covid-19 pandemic situation, for which a definitive assessment of the impact in subsequent period is highly dependent on future economic developments and circumstances as they evolve.

Our opinion is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of Management for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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.

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS 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 Act, 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.

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- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations 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;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) The matter described in 'Emphasis of Matters' 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 March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2022;

   (i) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 36 to the Ind AS financial statements.

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

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iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented 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 persons or entities, 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;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, 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

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Yadav
Partner
Membership Number: 501753
UDIN: 22501753A1YUID3098

Place of Signature: Gurugram
Date: May 13, 2022

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Chartered Accountants

Annexure 1 referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: DLF Panchkula Homes Private Limited ("the Company").

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of the property, plant and equipment.

(i) (a)(B) The Company has maintained proper records showing full particulars of intangibles assets.

(i) (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(i) (c) The title deeds of immovable properties represented by development rights (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3 to the financial statements included in property, plant and equipment are held in the name of the Company and which has also been confirmed as at March 31, 2022 on the basis of custodian certificates obtained by the management.

(i) (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2022.

(i) (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year except for inventories represented by the development rights. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories represented by the development rights have been confirmed as at March 31, 2022 on the basis of custodian certificate obtained by the management. No material discrepancies were not noticed on such physical verification and confirmations.

(ii) (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) During the year, the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies, firms, Limited liability partnership or any other parties as follows:

(Rs in Lakhs)

Particulars.	Guarantees	Security	Loans	Advances in nature of loans
-Intermediate Holding Company	20,000.00	-	-	-
-Subsidiaries	-	-	-	-
-Joint Ventures	-	-	-	-
-Other Party	-	-	5,500.00	-
Balance outstanding as at balance sheet date in respect of above cases				
-Intermediate Holding Company	20,000.00	-	-	-
-Subsidiaries	-	-	-	-
-Joint Ventures	-	-	-	-
-Other Party	-	-	5,500.00	

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(iii) (b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.

(iii) (c) The Company has granted loan during the year to a company which is repayable on demand along with interest. For loans outstanding at the year end, we are informed that the Company has not demanded repayment of any such loan during the year.

(iii) (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, Limited Liability Partnerships or any other parties which are overdue for more than ninety days.

(iii) (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(iii) (f) As disclosed in note 11 to the financial statements, the Company has granted loan to a company which is repayable on demand as stated below and none of these are granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

(Rs in Lakhs)

Particulars	Other Party
Aggregate amount of loans/ advances in nature of loans - Repayable on demand	5,500.00
Percentage of loans/ advances in nature of loans to the total loans	100 %

The Company has not granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to firms, Limited Liability Partnerships or any other parties.

(iv) The Company has not advanced loans to directors / to a Company in which the director is interested to which provisions of section 185 of the Companies Act 2013 apply and hence not commented upon. Loans, investments, guarantees and security in respect of which provisions of sections 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to construction of real estate projects, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. The provisions relating to duty of excise are not applicable to the Company. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

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(vii) (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of Statue	Nature of dues	Amount (Rs. In Lakhs)	Amount paid under protest. (Rs in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Tax demands on account of various disallowances during tax assessment	48.14	-	2011-12	Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Tax demands on account of non-deduction of TDS on payment of EDC Charges	2008.42	-	2014-15 and 2015-16	Punjab and Haryana High Court
The Finance Act, 2004 and Service tax rules	Tax demands on account of wrongful availment of Cenvat Credit	685.31	-	Financial year 2014-15 (Oct - Mar) to 2017-18 (upto June 2017)	Commissioner, Central Tax, GST Commissionerate

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) Loans amounting to Rs. 2,350.00 lakhs are repayable on demand and terms and conditions for payment of interest thereon have been stipulated. Such loans and interest thereon have not been demanded for repayment during the relevant financial year. The Company did not have any other outstanding loans or borrowings or interest thereon due to any lender during the year.

(ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(ix) (d) On an overall examination of the Ind AS financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(ix) (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(ix) (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

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(x) (b) The Company has not made any preferential allotment or private placement of shares fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(xi) (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi) (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) (a), (b), (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

(xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv)(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(xvi)(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(xvi)(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(xvi)(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year respectively.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 29 to the Ind AS financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not

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an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) The Company is not required to transfer any fund as per provisions of Section 135 of the Companies Act, 2013 in relation to Corporate Social Responsibility as the limits specified under the said section are not met, accordingly the requirement to report on clause 3(xx) of the Order is not applicable to the Company.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Yadav
Partner
Membership Number: 501753
UDIN: 22501753AIYUBD3098

Place of Signature: Gurugram
Date: May 13, 2022

Annexure 2 to the Independent Auditor's report of even date on the Ind AS financial statements of DLF Homes Panchkula 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 Ind AS financial statements of DLF Homes Panchkula Private Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the 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 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 ("ICAI"). 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Ind AS financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these Ind AS financial statements 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 with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these Ind AS financial statements, 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 judgement, 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 audit opinion on the Company's internal financial controls with reference to these Ind AS financial statements.

Meaning of Internal Financial Controls with Reference to these Ind AS Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to Ind AS financial statements 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.

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Inherent Limitations of Internal Financial Controls with Reference to Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to Ind AS financial statements, 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 Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, 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 issued by the ICAI.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Yadav
Partner
Membership Number: 501753
UDIN: 22501753AIYUID3098

S.R. BATLIBOI & CO. LLP
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Place of Signature: Gurugram
Date: May 13, 2022

DLF Homes Panchkula Private Limited
Balance Sheet as at 31 March 2022
(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,473.46	1,614.29
Other intangible assets	4	1.04	3.12
Deferred tax assets (net)	5	1,195.79	-
Non-current tax assets (net)	6	212.64	108.63
Financial assets			
Other financial assets	12	150.00	-
Other non-current assets	13	3.88	3.88
		3,036.81	1,729.92
Current assets			
Inventories	7	43,940.04	63,429.75
Financial assets			
Trade receivables	8	4.26	69.64
Cash and cash equivalents	9	665.19	335.55
Other bank balances	10	1,649.41	145.58
Loans	11	5,651.35	-
Other financial assets	12	64.14	54.13
Other current assets	13	2,102.13	2,513.60
		54,076.52	66,548.25
Total assets		57,113.33	68,278.17
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	6.24	6.24
Other equity	15	34,799.37	46,623.72
Total equity		34,805.61	46,629.96
Liabilities			
Non-current liabilities			
Long term provisions	16	16.00	13.90
		16.00	13.90
Current liabilities			
Financial liabilities			
Borrowings	17	2,350.00	-
Trade payables	18		
- Total outstanding dues of micro and small enterprises		24.08	53.46
- Total outstanding dues of creditors other than micro and small enterprises		429.07	3,689.81
Other financial liabilities	19	461.81	432.07
Other current liabilities	20	19,026.42	17,458.70
Short term provisions	16	0.34	0.27
		22,291.72	21,634.31
Total liabilities		22,307.72	21,648.21
Total equity and liabilities		57,113.33	68,278.17

Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration Number : 301003E/E300005

For and on behalf of the Board of Directors of
DLF Homes Panchkula Private Limited

per Amit Yadav
Partner
Membership Number : 501753
Place : Gurugram
Date : 13 May 2022

S.R. BATLIBOI & CO. LLP GURUGRAM

Sandhya Singla
Director
DIN: 08893844

Deshbandhu Gupta
Director
DIN: 08146316

DLF HOMES PANCHKULA PVT. LTD. GURUGRAM

DLF Homes Panchkula Private Limited

Statement of profit and loss for the year ended 31 March 2022

(All amounts in ₹ lakhs, unless otherwise stated)

	Notes	31 March 2022	31 March 2021
Revenue			
Revenue from operations	21	13,032.71	11,938.23
Other income	22	334.69	74.93
Total income		**13,367.40**	**12,013.16**
Expenses			
Cost of sales, plots, constructed properties and others	23	9,280.23	7,923.74
Employee benefits expense	24	119.63	124.04
Finance costs	25	73.87	569.56
Depreciation and amortisation expense	26	149.13	222.37
Other expenses	27	1,265.52	1,570.13
Total expenses		**10,888.38**	**10,409.84**
Profit before tax		**2,479.02**	**1,603.32**
Tax expense:			
Current tax		-	-
Deferred tax (refer note 5)		(1,195.79)	-
Profit for the year		**3,674.81**	**1,603.32**
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss in subsequent periods:			
Remeasurement gain on defined benefit plans	33	0.84	4.48
Other comprehensive income for the year		**0.84**	**4.48**
Total comprehensive income for the year		**3,675.65**	**1,607.80**
Earning per equity share (face value of ₹ 10 per share)	28		
Basic (₹)		0.55	0.26
Diluted (₹)		0.47	0.26
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration Number : 301003E/E300005

per Amit Yadav
Partner
Membership Number : 501753
Place : Gurugram
Date : 13 May 2022

S.R. BATLIBOI & CO. LLP GURUGRAM

For and on behalf of the Board of Directors of
DLF Homes Panchkula Private Limited

Sandhya Singla
Director
DIN: 08893844

Deshbandhu Gupta
Director
DIN: 08146316

DLF HOMES PANCHKULA PVT LTD GURUGRAM

DLF Homes Panchkula Private Limited
Cash flow statement for the year ended 31 March 2022
(All amounts in ₹ lakhs, unless otherwise stated)

		Notes	31 March 2022	31 March 2021
A	**Cash flow from operating activities**			
	Profit before tax		2,479.02	1,603.32
	Adjustments for:			
	Provision for doubtful debt and advances		104.98	59.43
	Unclaimed balances/excess provision written back		(87.64)	(13.28)
	Depreciation expense		149.13	222.37
	Interest income		(212.27)	(40.64)
	Finance costs		73.87	569.56
	Operating profit before working capital adjustments		**2,507.09**	**2,400.76**
	Decrease in inventories		19,489.71	7,663.07
	Increase in trade receivables		(28.60)	(88.87)
	Increase in other financial assets		(160.01)	(22.00)
	Decrease in other current/non current assets		420.72	1,378.94
	Decrease in trade payables and other payables		(3,222.73)	(8,468.68)
	Increase in financial liabilities		32.49	19.09
	Increase / (decrease) in other current liabilities		1,567.72	(2,663.35)
	Increase / (decrease) in provisions		3.01	(33.48)
	Cash generated from operations		**20,609.40**	**185.48**
	Direct tax (paid)/refund (net)		(104.01)	116.08
	Net cash generated from operating activities (A)		**20,505.39**	**301.56**
B	**Cash flow from investing activities**			
	(Investment)/ redemption of fixed deposit with maturity more than 3 months (net)		(1,503.83)	352.16
	Purchase of property, plant and equipment		(65.68)	(64.40)
	Proceeds from sale of property, plant and equipment		-	2.27
	Loan granted		(5,500.00)	-
	Interest income received		60.92	36.99
	Net cash (used in)/generated from investing activities (B)		**(7,008.59)**	**327.02**
C	**Cash flow from financing activities**			
	Interest paid		(17.16)	(24,961.52)
	Repayment against redemption of optionally convertible debentures		(15,500.00)	-
	Proceeds from borrowings		3,800.00	24,919.00
	Repayment of borrowings		(1,450.00)	(600.00)
	Net cash used in financing activities (C)		**(13,167.16)**	**(642.52)**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)		329.64	(13.94)
	Cash and cash equivalents at the beginning of the year		335.55	349.49
	Cash and cash equivalents at year end		**665.19**	**335.55**

	31 March 2022	31 March 2021
Components of cash and cash equivalents: (refer note 9)		
Cheque in hand	-	3.90
On current accounts	665.19	331.65
	665.19	335.55

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration Number : 301003E/E300005

per Amit Yadav
Partner
Membership Number : 501753
Place : Gurugram
Date : 13 May 2022

For and on behalf of the Board of Directors of
DLF Homes Panchkula Private Limited

Sandhya Singh
Director
DIN: 08893844

Dinbandhu Gupta
Director
DIN: 08146316

DLF Homes Panchkula Private Limited
Statement of Changes in Equity for the year ended 31 March 2022
(All amounts in ₹ lakhs, unless otherwise stated)

A. Equity share capital

Equity shares of ₹ 10 each issued, subscribed and fully paid up	Number of shares	Amount
As at 01 April 2020	62,385	6.24
Issue of share capital	-	-
As at 31 March 2021	62,385	6.24
Issue of share capital	-	-
As at 31 March 2022	62,385	6.24

B. Other equity (refer note 15)

For the year ended 31 March 2022

	Equity component of compulsorily convertible debentures('CCDs')	Equity component of optionally convertible debenture('OCDs')	Reserves and surplus		Total other equity
			Securities premium	Retained earnings	
Balance as at 01 April 2021	80,692.70		25,119.53	(59,188.51)	46,623.72
Profit for the year	-	-	-	3,674.81	3,674.81
Other comprehensive income	-	-	-	0.84	0.84
Total comprehensive income for the year	80,692.70	-	25,119.53	(55,512.86)	50,299.37
Conversion of compulsorily convertible debentures (CCDs) into optionally convertible debentures (OCDs)	(80,692.70)	80,692.70	-	-	-
Redemption of optionally convertible debentures (OCDs)		(15,500.00)	-	-	(15,500.00)
Balance as at 31 March 2022	-	65,192.70	25,119.53	(55,512.86)	34,799.37

For the year ended 31 March 2021

	Equity component of compulsory convertible debentures('CCDs')	Equity component of optionally convertible debenture('OCDs')	Reserves and surplus		Total other equity
			Securities premium	Retained earnings	
Balance as at 1 April 2020	-	-	25,119.53	(60,796.31)	(35,676.78)
Loss for the year	-	-	-	1,603.32	1,603.32
Other comprehensive income	-	-	-	4.48	4.48
Total comprehensive income for the year	-	-	-	1,607.80	1,607.80
Equity component of compulsorily convertible debentures (CCDs)	80,692.70		-	-	80,692.70
Balance as at 31 March 2021	80,692.70	-	25,119.53	(59,188.51)	46,623.72

Summary of significant accounting policies (refer note 2.2)
The accompanying notes are an integral part of the financial statements.

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration Number : 301003E/E300005

per Amit Yadav
Partner
Membership Number : 501753
Place : Gurugram
Date : 13 May 2022

For and on behalf of the Board of Directors of
DLF Homes Panchkula Private Limited

Sandhya Singh
Director
DIN: 08893844

Deshbandhu Gupta
Director
DIN: 08146316

1. **Corporate information**

DLF Homes Panchkula Private Limited ("the Company") is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located in DLF Gateway Tower, 2nd Floor, DLF City, Phase-III, NH-8, Gurgaon, Haryana-122002. The Company is primarily engaged in the business of construction, development and sale of integrated townships and residential houses and apartments.

These financial statements were authorised for issue in accordance with a resolution of the Company's Board of Directors on 13 May 2022.

2. **Significant accounting policies**

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of corporate affairs ('MCA') under section 133 of the Companies Act 2013 ('Act') read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements have been prepared on a going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis.

The financial statements are presented in Rupees in lakhs, except when otherwise indicated.

2.2 Summary of significant accounting policies

a. Current and 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, or
- Cash or cash equivalent 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 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.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

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b. Foreign currency transactions

Functional and presentation currency

The financial statements are presented in Indian Rupees ('₹'), which is the Company's functional and presentation currency of the Company.

Transactions and balances

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

Exchange differences arising on settlement of monetary items, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

c. Fair value measurement

The Company measures its financial instruments such as derivative instruments, etc at fair value at each balance sheet date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is un-observable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the management.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 41)
- Quantitative disclosures of fair value measurement hierarchy (note 41)
- Financial instruments (including those carried at amortised cost) (note 41)

d. **Revenue from contract with customers and other stream of revenue**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods & services before transferring them to the customers.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in note 2.2 (t).

(i) **Revenue from Contracts with Customers:**

Revenue is measured at the fair value of the consideration received/receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government and is net of rebates and discounts. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue is recognised in the income statement to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

The Company has applied five step model as per Ind AS 115 Revenue from contracts with customers to recognise revenue in the financial statements. The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

a) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
b) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
c) The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Revenue is recognised either at point of time or over a period of time based on various conditions as included in the contracts with customers.

Point of Time:

Revenue from real-estate projects

Revenue is recognised at a Point in Time w.r.t. sale of real estate units, including plots, independent floor and Commercial units as and when the control passes on to the customer which is generally at the time of handing over of the possession to the customer.

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Revenue from club operations
Revenue from club operations in respect to sale of food and beverages are recognised net of taxes and discounts as and when services are rendered.

Over a period of time

Revenue from club operations
Revenue in respect of Subscription and membership charges is recognised on an accrual basis, in accordance with the terms of the respective contract on proportionate basis over the period of time of the subscription/membership.

Other income

Income from forfeiture of properties and interest from banks is accounted for on an accrual basis except in cases where ultimate collection is considered doubtful.

(ii) Volume rebates and early payment rebates

The Company provides early payment rebates/ down payment rebates to the customers. Rebates are offset against amounts payable by the customer and revenue to be recognised. To estimate the variable consideration for the expected future rebates, the Company estimates the expected value of rebates that are likely to be incurred in future and records the revenue net of rebates and recognises the refund liability for expected future rebates.

(iii) Contract balances

Contract assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables
A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (n) Financial instruments - initial recognition and subsequent measurement.

Contract liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

e. Cost of revenue

Cost of real estate projects

Cost of constructed properties includes cost of land (including cost of development rights/land under agreements to purchase), estimated internal development costs, external development charges, borrowing costs, overheads, construction costs and development/construction materials, which is charged to the statement of profit and loss based on the revenue recognized as explained in accounting policy for revenue from real estate projects above, in consonance with the concept of matching costs and revenue. Final adjustment is made on completion of the specific project.

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Cost of land and plots

Cost of land and plots includes land (including development rights), acquisition cost, estimated internal development costs and external development charges, which is charged to the statement of profit and loss based on the percentage of land/plotted area in respect of which revenue is recognised as explained in accounting policy for revenue from 'Sale of land and plots', in consonance with the concept of matching cost and revenue. Final adjustment is made on completion of the specific project.

Cost of development rights

Cost of development rights includes proportionate development rights cost, borrowing costs and other related cost, which is charged to statement of profit and loss as explained in accounting policy for revenue, in consonance with the concept of matching cost and revenue.

Cost of Club Operations
Cost of club operations includes cost of food, beverages, staff cost and other related cost, which is charged to statement of profit and loss as explained in accounting policy for revenue, in consonance with the concept of matching cost and revenue.

f. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets and current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales/ value added taxes/ GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes/Good and services tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

g. Property, plant and equipment

Recognition and initial measurement

Property plant and equipment are stated at their cost of acquisition net of accumulated depreciation and accumulated impairment losses. On transition to Ind AS, the Company had elected to measure all of its property, plant and equipment at the previous GAAP carrying value (deemed cost)

The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit or loss as incurred. The company identifies and determine cost of each component/ part of asset separately, if the component/part have a cost which is significant to the total cost of asset and has a useful life that is materially different from that of the remaining asset.

Subsequent measurement (depreciation and useful lives)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on straight-line basis over the estimated useful lives of the assets as follows:

Asset category*	**Useful Life estimated by the management (years)**	**Useful Life as per Schedule II (years) to the Companies ACT 2013**
Buildings	20	60
Plant & machinery	10	15
Furniture and fixtures	5-10	10
Computers		
_Servers & networks	6	6
_Desktops, laptops & other devices	3	3
Office equipment	5	5
Motor vehicle	8	8
Buildings- RCC**	5	60

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*In case of assets pertaining to Club operations, the Company based on technical evaluation and management estimate considers the useful life of the assets as below: -

Asset category	Useful life (in years)
Buildings**	20
Plant and machinery	10
Furniture and fixtures	5

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

**The Company has, on the basis of technical review and re-assessment by the management, decided to adopt the useful life for building which is different from the useful life recommended in Schedule II of the companies Act, 2013, since the company believes that the estimated life adopted is reasonable and appropriate, considering the technical design and specifications, current usage and the policy of discarding such fixed assets over the above-mentioned period.

De-recognition
An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

h. Capital work-in-progress
Capital work-in-progress represents expenditure incurred in respect of capital projects are carried at cost less accumulated impairment loss, if any. Cost includes land, related acquisition expenses, development/ construction costs, borrowing costs if the recognition criteria are met and other direct expenditure.

i. Intangible assets

Recognition and initial measurement
Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. On transition to Ind AS, the Company had elected to measure all of its intangible assets at the previous GAAP carrying value (deemed cost). The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the statement of profit or loss in the period in which the expenditure is incurred.

The Company has acquired exclusive usage rights for 30 years under the build, own, operate and transfer scheme in respect of properties developed as automated multi-level car parking and commercial space and classified them under the "Intangible Assets – Right under build, own, operate and transfer arrangement".

Subsequent measurement (amortisation)
Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

The cost of capitalized software is amortized over a period of 5 years from the date of its acquisition.

De-recognition
Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

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j. **Borrowing costs**

Borrowing costs directly attributable to the acquisition and/or construction/production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are charged to the statement of profit and loss as incurred. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

k. **Inventories**

- Land and plots other than area transferred to constructed properties at the commencement of construction are valued at lower of cost/as re-valued on conversion to stock and net realisable value. Cost includes land (including development rights and land under agreement to purchase) acquisition cost, borrowing cost, estimated internal development costs and external development charges and other directly attributable costs.

- Construction work-in-progress of constructed properties includes the cost of land (including development rights and land under agreements to purchase), internal development costs, external development charges, construction costs, overheads, borrowing cost if inventorisation criteria are met, development/ construction materials, and is valued at lower of cost/estimated cost and net realisable value.

- Development rights represent amount paid under agreement to purchase land/development rights and borrowing cost incurred by the Company to acquire irrevocable and exclusive licenses/development rights in identified land and constructed properties, the acquisition of which is either completed or is at an advanced stage. These are valued at lower of cost and net realisable value.

Construction/development material is valued at lower of cost and net realisable value. Cost comprises of purchase price and other costs incurred in bringing the inventories to their present location and condition.

Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs of necessary to make the sale.

l. **Impairment of non-financial assets**

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the recoverable amount of the asset is estimated. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and the impairment loss, including impairment on inventories, are recognised in the statement of profit and loss.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculation. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

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m. Provisions, contingent assets and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made at the reporting date. Provisions are discounted to their present values, where the time value of money is material, using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Onerous contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities

A contingent liability recognised for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company
- Present obligation arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of obligation cannot be made.

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

n. Employee benefits

Provident Fund

Retirement benefit in the form of provident fund is a defined benefit scheme. The Company has no obligation, other than the contribution payable to provident fund. The Company recognizes contribution payable to provident fund scheme as an expense, when an employee renders the related services. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to market yields on government bonds that have terms to maturity approximating the terms of the related liability. Service cost on the Company's defined benefit plan is included in employee benefits expense. Net interest expense on the net defined benefit liability is included in finance costs. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income in the period in which they occur and are not reclassified to profit or loss in subsequent periods.

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of discounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

Short-term employee benefits
Expense in respect of short-term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

o. **Financial instruments**
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1) Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 2.2 (d) 'Revenue from contracts with customers'.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

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Subsequent measurement

i. **Financial assets carried at amortised cost** – the financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the weighted average of 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, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

(i)Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

(ii)Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

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When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset 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. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

2) Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement
Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liabilities
A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

3) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

4) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

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p. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of unrestricted cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

q. Cash dividend and non-cash distribution to equity holders

The Company recognises a liability to make cash or non-cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.
Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

r. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

The weighted-average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

s. Changes in accounting policies and disclosures

New and amended standards
i) Amendments to Ind AS 116: Covid-19-Related Rent Concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021.

These amendments had no impact on the financial statements of the Company.

ii) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest

- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Company.

iii) Ind AS 103: Business combination

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

This amendment had no impact on the financial statements of the Company but may impact future periods should the Company enter into any business combinations.

iv) Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated 18 June 2021, applicable for annual periods beginning on or after 1 April 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments had no impact on the standalone financial statements of the Company.

v) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the standalone financial statements of the Company.

Amendments to the Schedule III of the Companies Act, 2013

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

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Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:
Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of financial statements.

The above disclosure amendments were extensive and the appropriate effect (to the extent applicable) to them, as required by law has been given in the financial statements of the Company.

New and amended disclosures, not yet effective

The Ministry of Corporate Affairs (MCA) in consultation with National Financial Reporting Authority (NFRA) vide its notification dated 23 March 2022, has made certain amendments in Companies (Indian Accounting Standard Rules), 2015. Such amendments shall come into force with effect from 1 April 2022, but do not have a material impact on the financial statements of the Company:

(I) Ind AS 103: Business combination

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately.

It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards.

This amendment may impact future periods should the Company enter into any business combinations.

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(ii) Ind AS 37: Provisions, Contingent Liabilities, and Contingent Assets

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labour and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The Company is currently assessing the impact of the amendments to determine the impact they will have on the Company's accounting policy disclosures.

(iii) Ind AS 109: Financial Instruments

The amendment clarifies the fees in the '10 per cent' test for derecognition of financial liabilities, that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

The Company does not expect the amendments to have any material impact on the financial statements of the Company.

(iv) Ind AS 16: Property, Plant and Equipment

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The Company does not expect the amendments to have any impact on the financial statements of the Company.

t. Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

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Impairment of financial assets – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Revenue from contracts with customers- The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Estimation of discounts like down payment rebates and early payment rebates.
The Company based on past and market trends estimates the amount that it expects to provide to the customers in the form of rebates. In estimating the amount of consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Company determined that the combination of most likely method and expected value method is the appropriate to use in estimating the consideration for the sale of constructed properties. The selected method that better predicts the amount of consideration was primarily driven by the past trend of early payments and down payments by customers as well as current economic condition with respect to real estate industry.

Significant estimates

Net realizable value of inventory – The determination of net realisable value of inventory involves estimates based on prevailing market conditions, current prices and expected date of commencement and completion of the project, the estimated future selling price, cost to complete projects and selling cost. The Company also involves specialist to perform valuations of inventories, wherever required.

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Impairment of Property plant equipment – Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use calculation is based on a DCF model. The cash flows are derived from the budgets. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expense.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

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(All amounts in ₹ lakhs, unless otherwise stated)

3. Property, plant and equipment

	Furniture and fittings	Office equipments	Computers	Plant & Machinery	Vehicles	Building	Land Free hold**	Total
Cost								
At 01 April 2020	325.58	28.96	15.84	294.17	4.16	3,039.47	273.87	3,982.05
Additions	14.87	4.95	-	29.01	-	16.24	-	65.07
Disposals/Adjustment	-	-	-	-	3.69	486.67	-	490.36
At 31 March 2021	340.45	33.91	15.84	323.18	0.47	2,569.04	273.87	3,556.76
Additions	2.43	0.84	-	2.31	0.64	-	-	6.22
Disposals/Adjustment	-	-	-	-	-	-	-	-
At 31 March 2022	342.88	34.75	15.84	325.49	1.11	2,569.04	273.87	3,562.98
Depreciation and impairment								
At 01 April 2020	103.54	23.03	4.29	14.75	3.72	1,954.11	-	2,103.44
Charge for the year	58.38	1.92	4.12	30.89	0.06	124.92	-	220.29
Disposals/Adjustment	-	-	-	-	3.69	377.57	-	381.26
At 31 March 2021	161.92	24.95	8.41	45.64	0.09	1,701.46	-	1,942.47
Charge for the year	60.85	2.66	3.66	32.91	0.13	46.84	-	147.05
Disposals/Adjustment	-	-	-	-	-	-	-	-
At 31 March 2022	222.77	27.61	12.07	78.55	0.22	1,748.30	-	2,089.52
Net block								
At 31 March 2021	178.53	8.96	7.43	277.54	0.38	867.58	273.87	1,614.29
At 31 March 2022	120.11	7.14	3.77	246.94	0.89	820.74	273.87	1,473.46

**Freehold land represents development rights in relation to land of Club. The title deed of development rights are in the name of the Company and the same have also been confirmed through custodian certificate.

(i) Contractual obligation

Refer notes 36(B) for disclosure of capital commitments for the acquisition of property, plant & equipment.

(ii) Capitalised Borrowing cost

The Company has not capitalised any borrowing cost during the year ended 31 March 2022 and 31 March 2021.

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(All amounts in ₹ lakhs, unless otherwise stated)

4. Other Intangible assets

	Computer software	Total
Cost		
At 01 April 2020	6.49	6.49
Additions	-	-
Disposals/Adjustment	-	-
At 31 March 2021	6.49	6.49
Additions during the year	-	-
Deletions/adjustments	-	-
At 31 March 2022	6.49	6.49
Amortisation		
At 01 April 2020	1.29	1.29
Amortisation	2.08	2.08
At 31 March 2021	3.37	3.37
Amortisation	2.08	2.08
At 31 March 2022	5.45	5.45
Net block		
At 31 March 2021	3.12	3.12
At 31 March 2022	1.04	1.04

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5. Deferred tax asset (net)

	31 March 2022	31 March 2021
a) Component of deferred tax asset(net)		
Deferred tax asset		
Unabsorbed depreciation	168.64	168.64
Carry forward business loss	1,354.93	195.81
Gross deferred tax asset (A)	**1,523.57**	**364.45**
Deferred tax liabilities		
Property, plant and equipment and other intangible assets - depreciation and amortisation	327.78	364.45
Gross deferred tax liabilities (B)	**327.78**	**364.45**
Net deferred tax assets (A-B)	**1,195.79**	-

b) Reconciliation of deferred tax assets

	31 March 2022	31 March 2021
Opening balance as of 1 April	-	-
Tax income/(expense) during the year recognised in Profit and loss	(1,195.79)	-
Closing balance as at 31 March	**(1,195.79)**	-

(i) Deferred tax asset is recognized on unabsorbed depreciation and carry forward of losses to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unabsorbed depreciation and carried forward tax losses can be utilised. The Company has carry forward losses of ₹ 52,036.10 lakhs (31 March 2021 ₹ 56,377.61 lakhs) that are available for off setting for 8 years against future taxable profits and unabsorbed depreciation of ₹ 670.07 lakhs (31 March 2021 ₹ 574.71 lakhs) that is available for set off for infinite period. Majority of these losses will expire from year ending March 2025 to March 2028. The Company has not recognise deferred tax assets in respect of carry forward losses and unabsorbed depreciation amounting to ₹ 46,652.60 lakhs (31 March 2021 ₹ 55,599.61 lakhs) and certain other temporary differences as there is no reasonable certainty supported by convincing evidences of the recoverability in near future.

(ii) If the Company was to recognised all unrecognised deferred tax assets, the profit would increase by ₹ 11,741.53 lakhs (31 March 2021 ₹ 13,993.31 lakhs).
The income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 25.17% (31 March 2021: 25.17%) and the reported tax expense in the statement of profit or loss are as follows:

c) Movement in deferred tax assets

Movement in deferred tax assets for the year ended 31 March 2022

Particulars	1 April 2021	Recognised in statement of profit and loss	Recognised in other comprehensive	31 March 2022
Assets				
Unabsorbed depreciation	168.64	-	-	168.64
Carry forward business loss	195.81	1,159.12	-	1,354.93
Sub-total (A)	**364.45**	**1,159.12**	-	**1,523.57**
Liabilities				
Property, plant and equipment and other intangible assets - depreciation and amortisation	364.45	(36.67)		327.78
Sub-total (B)	**364.45**	**(36.67)**	-	**327.78**
Net C = (A-B)	-	1,195.79	-	1,195.79

Movement in deferred tax assets for the year ended 31 March 2021

Particulars	1 April 2020	Recognised in statement of profit and loss	Recognised in other comprehensive income	31 March 2021
Assets				
Unabsorbed depreciation	171.50	-2.86	-	168.64
Carry forward business loss	192.36	3.45	-	195.81
Sub-total (A)	**363.86**	**0.59**	-	**364.45**
Liabilities				
Property, plant and equipment and other intangible assets - depreciation and amortisation	363.86	0.59	-	364.45
Sub-total (B)	363.86	0.59	-	364.45
Net C = (A-B)	-	-	-	-

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Accounting Profit/(Loss) before income tax from:	31 March 2022	31 March 2021
Profit/(Loss) during the year	**2,479.02**	**1,603.32**
At statutory income tax rate of 25.17% (31 March 2021: 25.17%)	623.92	403.56
Adjustments in respect of current income tax:		
Tax impact of allowance for doubtful debt, advances and goods and service tax	(26.42)	-
Tax impact of unclaimed balances/excess provision of balance with government authority written back	5.10	-
Tax impact of losses/(gain) on which deferred tax assets not created	(602.60)	(403.56)
Tax impact of losses of earlier years on which deferred tax assets created	(1,195.79)	-
	(1,195.79)	-

6. Non-current tax assets (net)

	31 March 2022	31 March 2021
Income tax paid (net of provisions)	212.64	108.63
Total	212.64	108.63

	31 March 2022	31 March 2021
7. Inventories^		
(Valued at cost or NRV which ever is lower, unless otherwise stated)		
Land, plots and construction work in progress	38,081.91	57,571.62
Development rights	5,858.13	5,858.13
	43,940.04	63,429.75

^ During the year ended 31 March 2022 ₹ Nil (31 March 2021 ₹ 56.44 lakhs) is recognised as expenses for inventories carried at net realisable value.

8. Trade receivables*

	31 March 2022	31 March 2021
Due from related parties (refer note 31)	-	0.73
Others	4.26	68.91
	4.26	69.64
Break-up for security details:		
Trade receivable		
Secured, considered good	-	51.31
Unsecured, considered good	4.26	18.33
Trade receivables- credit impaired	153.20	59.22
	157.46	128.86
Impairment Allowance (allowance for expected credit loss)		
Trade Receivables - credit impaired	(153.20)	(59.22)
	4.26	69.64

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days

* Includes ₹ 0.82 lakhs (31 March 2021 : ₹ 66.63 lakhs) from contract with customers under IND AS 115

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Trade receivables ageing schedule as at 31 March 2022

Particulars	Outstanding for following period from date of transaction					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed						
Considered good	4.26	-	-	-	-	4.26
Credit impaired	5.78	-	73.65	61.59	0.52	141.54
Disputed						
Considered good	-	-	-	-	-	-
Credit impaired	0.60	-	6.41	4.65	-	11.66
Grand total	10.64	-	80.06	66.24	0.52	157.46
Impairment allowance (allowance for expected credit loss)						153.20
Total trade receivables	10.64	-	80.06	66.24	0.52	4.26

Trade receivables ageing schedule as at 31 March 2021

Particulars	Outstanding for following period from date of transaction					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed						
Considered good	48.62	2.36	18.66	-	-	69.64
Credit impaired	-	-	23.73	2.18	7.53	33.44
Disputed						
Considered good	-	-	-	-	-	-
Credit impaired	4.37	-	5.43	0.01	15.97	25.78
Grand total	52.99	2.36	47.82	2.19	23.50	128.86
Impairment allowance (allowance for expected credit loss)	-	-	-	-	-	59.22
Total trade receivables	52.99	2.36	47.82	2.19	23.50	69.64

9. Cash and cash equivalents

	31 March 2022	31 March 2021
-Cheques in hand	-	3.90
Balances with banks		
- On current accounts*	665.19	331.65
	665.19	335.55

* Includes ₹ 14.92 lakhs (31 March 2021 ₹ Nil) held in current accounts for projects registered under Real Estate Regulation Act, 2016 ("RERA"). The money can be utilised for payments of the specified projects.

Pursuant to IND AS 7, change in financial activity for the year ended 31 March 2022 as follow:

Net debt reconciliation

This section sets out an analysis of net debt and movements in net debts for each of the period presented.

Particulars	31 March 2022	31 March 2021
Cash and cash equivalents	(665.19)	(335.55)
Less: Current borrowings	2,350.00	-
Net debt	1,684.81	(335.55)

Changes in liabilities arising from financing activities:

Net debt as at 31 March 2022	1 April 2021	Cash flow	Other non cash movement*	31 March 2022
Particulars				
Current Borrowings	-	2,350.00		2,350.00
Total Borrowings	-	2,350.00	-	2,350.00
Less:				
Cash and cash equivalent	335.55	329.64	-	665.19
Net cash and cash equivalent	335.55	329.64	-	665.19
Net debt	(335.55)	2,020.36	-	1,684.81

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Changes in liabilities arising from financing activities:

Net debt as at 31 March 2021	1 April 2020	Cash flow	Other non cash movement*	31 March 2021
Particulars				
Current Borrowings	56,373.70	-	(56,373.70)	-
Total Borrowings	**56,373.70**	-	**(56,373.70)**	-
Less:				
Cash and cash equivalent	349.49	(13.94)	-	335.55
Net cash and cash equivalent	**349.49**	**(13.94)**	-	**335.55**
Net debt	**56,024.21**	**13.94**	**(56,373.70)**	**(335.55)**

*On account of conversion of borrowings into Compulsory convertible debentures (CCDs) during the previous year.

10. Other Bank Balance

	31 March 2022	31 March 2021
Fixed deposits with maturity of more than three months but less than twelve months#	1,649.41	145.58
	1,649.41	**145.58**

Short-term deposits are made for varying periods of between three to twelve months, depending on the cash requirements of the Company and earn interest at the respective short-term deposit rates.

Includes ₹ 161.09 lakhs (31 March 2021 ₹ Nil) held in other bank balances as deposits for projects registered under Real Estate Regulation Act, 2016 ("RERA"). The money can be utilised for payments of the specified projects.

11. Loan
(Unsecured, considered good unless otherwise stated)

	Non-current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Loan to other parties^	-	-	5,651.35	-
	-	-	**5,651.35**	-

^ Above loans carries interest at the rate of 12.00% per annum (31 March 2021 : Nil). These loans generate fixed interest income for the Company. The carrying value may be affected by change in credit risk of the party.

During the year, the Company has entered into a triparty Memorandum of understanding (MOU) with Trident Romano Realty LLP and Trident Infrahomes Private Limited (collectively called as "Trident Group") dated 28 December 2021 whereby, companies are proposing to enter into an agreement to develop the Project in Pinjore Kalka urban complex, District Panchkula, Haryana ("Project") in such form and manner as agreed between the parties.

In view of the above understanding, Company has given loan of ₹ 5,500.00 lakhs as financial assistance at interest of 12% p.a. repayable within 12 months from date demanded. The Company has agreed to provide further financial assistance to Trident Group in respect to said Project in the form and manner as agreed between the parties.

12. Other financial assets
(Unsecured considered good unless stated otherwise)

	Non-current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Security deposits (refer note 31)	150.00	-	64.14	54.13
	150.00	-	**64.14**	**54.13**

13. Other assets
(Unsecured considered good unless stated otherwise)

	Non-current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Capital Advance	3.88	3.88	-	-
Advances recoverable in cash and kind				
-Due from other than related parties				
Considered good	-	-	885.47	403.24
Credit impaired	-	-	20.58	9.58
Others				
Balances with statutory/government authorities				
Considered good	-	-	-	621.34
Credit impaired	-	-	53.72	73.97
Prepaid Expenses	-	-	9.58	-
Earmarked Deposits*	-	-	1,207.08	1,489.02
	3.88	3.88	2,176.43	2,597.15
Allowance for expected credit loss	-	-	(74.30)	(83.55)
	3.88	**3.88**	**2,102.13**	**2,513.60**

*₹ 1,207.08 lakhs (31 March 2021 : ₹ 1,489.02) pertains to amount deposited by the Company as security in lieu of stay order passed by State Consumer Disputes Redressal Commission (SCDRC) and National Consumer Disputes Redressal Commission (NCDRC) in various consumer cases under which SCDRC and NCDRC admitted the customer's claim for refund of payments along with interest or compensation for delay in delivery of projects.

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14. Share Capital

	31 March 2022	31 March 2021
Authorised Share Capital		
62,500 (31 March 2021: 62,500) equity shares of ₹ 10 each	6.25	6.25
50,750 (31 March 2021: 50,750) preference shares of ₹ 100 each	50.75	50.75
	57.00	**57.00**
Issued, subscribed and fully paid up share capital		
62,385 (31 March 2021: 62,385) equity shares of ₹ 10 each	6.24	6.24
	6.24	**6.24**

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

i) Authorised shares	Equity Shares		Preference Shares	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	62,500	6.25	50,750	50.75
Increase/ decrease during the year	-	-	-	-
Balance at the end of the year	**62,500**	**6.25**	**50,750**	**50.75**
ii) Issued shares				
Balance at the beginning of the year	62,385	6.24	-	-
Increased/decreased during the year	-	-	-	-
Equity share at the end of the year	**62,385**	**6.24**	-	-
iii) Paid-up shares				
Balance at the beginning of the year	62,385	6.24	-	-
Increased/decreased during the year	-	-	-	-
Equity shared at the end of the year	**62,385**	**6.24**	-	-

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by Holding/Ultimate Holding Company and/or their subsidiaries/associates

Out of equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

Name of Shareholder	31 March 2022		31 March 2021	
	Number	₹ in lakhs	Number	₹ in lakhs
DLF Homes Developers Limited	61,761	6.18	61,761	6.18

d. Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	31 March 2022		31 March 2021	
	Number	% of Holding	Number	% of Holding
DLF Homes Developers Limited	61,761	99.00%	61,761	99.00%

e. Shares held by promoters at the end of the year

Name of promoters	31 March 2022		31 March 2021		% Change during the year
	Number	% of Holding	Number	% of Holding	
DLF Homes Developers Limited	61,761	99.00%	61,761	99.00%	0.00%

f. Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the balance sheet

The Company has neither issued nor there has been any buyback of shares in the current year nor in the preceding five year.

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15. Other Equity

	31 March 2022	31 March 2021
Reserves and surplus		
Securities Premium	25,119.53	25,119.53
Retained earnings	(55,512.86)	(59,188.51)
Equity component of compulsorily convertible debentures (CCDs)#	-	80,692.70
Equity component of optionally convertible debentures (OCDs)#	65,192.70	-
	34,799.37	46,623.72

Movement as per below :-

	31 March 2022	31 March 2021
Securities premium	25,119.53	25,119.53
Retained earnings		
Statement of profit and loss		
As per last balance sheet	(59,188.51)	(60,796.31)
Net Profit for the year	3,674.81	1,603.32
Other Comprehensive Income	0.84	4.48
Net deficit in statement of profit and loss	(55,512.86)	(59,188.51)
Equity component of compulsorily convertible debentures (CCDs)		
As per last balance sheet	80,692.70	-
Add: Issue of compulsorily convertible debentures (CCDs)	-	80,692.70
Less: Conversion of CCDs in to OCDs	(80,692.70)	-
	-	80,692.70
Equity component of optionally convertible debentures (OCDs)		
As per last balance sheet	-	-
Add: Conversion of CCDs to OCDs	80,692.70	-
Less: Redemption of optionally convertible debentures (OCDs)	(15,500.00)	-
	65,192.70	-

Securities premium
Securities premium includes premium on issue of shares. This will be utilised in accordance with the provisions of Companies Act, 2013

Retained Earnings
Represents surplus/(Deficit) in statement of Profit and Loss.

#Compulsorily Convertible Debentures (CCDs) / Optionally Convertible Debentures (OCDs)
During the previous year, the Company had issued 806,927,000 0.01% Compulsorily Convertible Debentures (CCDs) of face value of ₹ 10 each aggregating to ₹ 80,692.70 lakhs to its existing shareholders on rights issue basis. Each CCDs is compulsorily convertible into equity share, at the option of holder, into equal number of Equity Shares in one or more tranches within a period of ten year from the date of allotment (i.e. 30 June 2020) and is compulsorily convertible on the expiry of ten years from the date of allotment of CCDs. The CCDs shall carry a coupon rate of 0.01% per annum, payable annually, up to the date of conversion into equity shares of the Company. Since the instrument meets the criteria for classification as an equity instrument in accordance with applicable Ind AS 109, the same has been considered as equity.

During the year, the Company has converted all outstanding CCDs to 0.01% Optionally Convertible Debentures (OCDs) through board resolution dated 24 January 2022. The OCDs shall be having a face value of ₹ 10 each and shall carry a coupon rate of 0.01% per annum, payable annually, up to the date of conversion / redemption. The Company may, in one or more tranches, at any time during the tenure of OCDs (i.e., within 10 years from the date of allotment of OCDs) may either convert the OCDs into equity shares of the Company in the ratio of 1:1 (i.e. 1 equity share of the Company for each OCD issued by the Company) or redeem the OCDs at an amount equal to the fair value of such number of equity shares that would have been issued, had the OCDs been converted into equity shares of the Company, or at par value of OCDs, whichever is higher. However, the Company needs to mandatorily choose either of the options during the tenure of the OCDs.
Further, during the year, the Company has redeemed 155,000,000 OCDs amounting to ₹ 15,500.00 lakhs through board resolution 28 January 2022.

The OCDs shall carry a coupon rate of 0.01% per annum, payable annually, up to date of conversion into equity share of the Company. Since the instrument meets the criteria for classification as an equity instrument in accordance with applicable Ind AS 109, the same has been considered as equity.

16. Provisions

	Non-current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Provision for employee benefits				
Gratuity (refer note 33)	16.00	13.90	0.32	0.25
Compensated absences			0.02	0.02
	16.00	13.90	0.34	0.27

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(All amounts in ₹ lakhs, unless otherwise stated)

17. Borrowings

Current (Unsecured)	Interest rate	Maturity	31 March 2022	31 March 2021
Loan from related parties	7.5% per annum	Repayable on demand	2,350.00	-
			2,350.00	-

18. Trade payable

	31 March 2022	31 March 2021
Due to micro and small enterprises (refer note 32)	24.08	53.46
Due to other than micro and small enterprises		
Due to related parties (refer note 31)	1.14	3,100.55
Due to others	427.93	589.26
	453.15	3,743.27

Trade payable ageing schedule as at 31 March 2022

Particulars	Not due	Outstanding for following period from date of transaction				
		Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Undisputed*						
Due to micro and small enterprises (refer note 32)	-	24.08	-	-	-	**24.08**
Due to other than micro and small enterprises						
Due to related parties (refer note 31)	-	1.14	-	-	-	**1.14**
Due to others	97.15	161.60	96.70	8.07	64.41	**427.93**
Disputed						-
Due to micro and small enterprises (refer note 32)	-	-	-	-	-	-
Due to other than micro and small enterprises						
Due to related parties (refer note 31)	-	-	-	-	-	-
Due to others	-	-	-	-	-	-
Total	**97.15**	**186.82**	**96.70**	**8.07**	**64.41**	**453.15**

Trade payable ageing schedule as at 31 March 2021

Particulars	Not due	Outstanding for following period from date of transaction				
		Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Undisputed*						
Due to micro and small enterprises (refer note 32)	-	9.28	42.92	1.26	-	53.46
Due to other than micro and small enterprises	-	-	-	-	-	
Due to related parties (refer note 31)	-	25.10	-	-	3,075.45	3,100.55
Due to others	161.36	216.45	36.76	63.81	110.88	589.26
Disputed	-	-	-	-	-	-
Due to micro and small enterprises (refer note 32)						
Due to other than micro and small enterprises	-	-	-	-	-	-
Due to related parties (refer note 31)	-	-	-	-	-	-
Due to others	-	-	-	-	-	-
Total	**161.36**	**250.83**	**79.68**	**65.07**	**3,186.33**	**3,743.27**

* Includes retention monies with respect to contractors, which become payable after satisfying the terms and conditions embedded within their respective contracts.

19. Other financial liabilities*

	31 March 2022	31 March 2021
Interest accrued on CCDs (refer note 31)	5.87	5.62
Interest accrued but not due on borrowings (refer note 31)	56.46	-
Security Deposit	374.40	341.91
Creditors for Capital Good	25.08	84.54
	461.81	432.07

* carrying amount of these financial liabilities are reasonable approximation of their fair value

20. Other current liabilities

	31 March 2022	31 March 2021
Contract Liability	18,215.20	17,083.79
Payable for cost of completion	487.04	37.94
Statutory dues	30.48	25.57
Revenue received in advance	293.70	311.40
	19,026.42	17,458.70

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21. Revenue from operations	31 March 2022	31 March 2021
Revenue from contract with customers*	12,385.56	11,528.86
Recreational Facility Income (Club)*	494.78	360.27
Other operating income		
Forfeiture income*	41.87	7.52
Service charges received from customers*	110.50	41.58
Total	**13,032.71**	**11,938.23**

***Timing of revenue recognition**		
Revenue recognition at a point of time	12,797.41	11,702.23
Revenue recognition over period of time	235.30	236.00
Total revenue from contracts with contract	**13,032.71**	**11,938.23**

Contract balances

Trade receivables (refer note 8) @	4.26	69.64
Contract Liabilities (refer note 20)	18,215.20	17,083.79

@ Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. As on 31 March 2022 ₹ 153.20 lakhs (31 March 2021 ₹ 59.22 lakhs) is being carried as provision for expected credit losses on trade receivables

Contract assets are initially recognised for revenue earned on account of contracts where revenue is recognised over the period of time as receipt of consideration is conditional on successful completion of performance obligations as per contract. Once the performance obligation is fulfilled and milestones for invoicing are achieved, contract assets are classified to trade receivables.

Contract liabilities include amount received from customers as per the instalments stipulated in the buyer agreement to deliver properties once the properties are completed and control is transferred to customers

Set out below is the amount of revenue recognised from:

Movement of contract liability	31 March 2022	31 March 2021
Amounts included in contract liabilities at the beginning of the year	17,083.79	19,705.45
Amount received/Adjusted against contract liability during the year	13,516.97	8,907.20
Performance obligations satisfied in current year $	(12,385.56)	(11,528.86)
Amounts included in contract liabilities at the end of the year	**18,215.20**	**17,083.79**

$ includes ₹ 6,531.00 lakhs (31 March 2021 : ₹ 7,195.01 lakhs) recognised out of opening contract liabilities.

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Revenue as per Contracted price	14,006.56	12,692.25
Adjustments		
Other adjustments (compensation etc.)	(973.85)	(733.02)
	13,032.71	**11,938.23**

Performance obligation

Information about the Company's performance obligations for material contracts are summarised below:

The performance obligation of the Company in case of sale of residential plots, and apartments and commercial office space is satisfied once the project is completed and control is transferred to the customers

The customer makes the payment for contracted price as per the instalment stipulated in the Buyer's Agreement

The transaction price of the remaining performance obligation (unsatisfied or partially satisfied) as at 31 March 2022 is ₹ 29,588.37 lakhs (31 March 2021 ₹ 22,915.09 lakhs). The same is expected to be recognised in 1 to 3 years

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(All amounts in ₹ lakhs, unless otherwise stated)

22. Other Income	31 March 2022	31 March 2021
Unclaimed balances/excess provision written back	87.64	13.28
Interest on		
Delayed payment from customer	25.48	21.01
Bank deposits	44.11	29.91
Income Tax refund	-	10.73
Loans	168.16	-
Miscellaneous income	9.30	-
	334.69	74.93

23. Cost of sales, plots, constructed properties and others	31 March 2022	31 March 2021
Cost of land, plots, constructed properties and other development activities	9,033.21	7,746.02
Cost of Recreational Facility (Club)	247.02	177.72
	9,280.23	7,923.74

24. Employee benefits expense

	31 March 2022	31 March 2021
Salaries, wages and bonus	107.67	108.95
Contribution to provident and other funds	3.74	4.21
Gratuity expense (refer note 33)	3.01	6.51
Staff welfare expenses	5.21	4.37
	119.63	124.04

25. Finance cost

	31 March 2022	31 March 2021
Interest on		
Loan from related parties (refer note 31)	62.73	563.16
Interest on compulsory convertible debentures (refer note 15)	7.80	6.08
Bank charges	3.34	0.32
	73.87	569.56

26. Depreciation and amortisation

	31 March 2022	31 March 2021
Depreciation on property, plant and equipment	147.05	220.29
Amortisation of intangible asset	2.08	2.08
	149.13	222.37

27. Other expenses

	31 March 2022	31 March 2021
Rates and taxes	36.75	130.90
Commission and brokerage	400.22	397.35
Legal and professional expenses	169.45	41.19
Royalty expenses	-	474.44
Business promotion	159.32	54.84
Communication expenses	6.54	6.55
Electricity expenses	24.36	18.41
Travelling and conveyance	3.13	1.62
Repair and maintenance		
Constructed properties/colonies	294.08	219.32
Computers	9.63	10.46
Printing and stationery	9.11	2.15
Payment to auditors @	15.80	15.38
Loss on fixed asset discarded	-	105.48
Allowance for doubtful debt, advances and goods and service tax	104.98	59.43
Compensation for cancellation of properties	31.23	29.24
Miscellaneous expenses	0.92	3.37
	1,265.52	1,578.13

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DLF HOMES PANCHKULA PVT. LTD. GURUGRAM

(All amounts in ₹ lakhs, unless otherwise stated)

@ Payment to auditors	31 March 2022	31 March 2021
As auditor :		
- Audit fees	7.40	7.35
- Tax audit fees	1.00	1.05
- Limited reviews	6.30	6.20
Out of pocket expenses and taxes	1.10	0.78
	15.80	15.38

28. Earnings/(loss) per equity share

Earning per share/ loss per share (EPS) is determined based on the net profit/loss attributable to shareholders of the company. Basic earning/ loss per share is computed using the weighted average number of equity shares and compulsorily/optionally convertible debentures outstanding during the year.
Diluted earning/ loss per share amounts are calculated by dividing the loss for the year attributable to equity share holders of the Company by the weighted average number of equity shares and compulsorily/optionally convertible debentures outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

	31 March 2022	31 March 2021
Net Earnings/(loss) attributable to equity shareholders	3,674.81	1,603.32
Nominal value of equity shares (₹)	10	10
Weighted average number of equity shares (Face value of ₹10 each) for the calculation of Basic EPS	669,922,333	608,021,084
Basic (EPS) (₹)	**0.55**	**0.26**
Calculation of Weighted average number of equity shares for Basic EPS:		
Weighted average number of equity shares	62,385	62,385
Weighted average number of CCDs	669,859,948	607,958,699
	669,922,333	**608,021,084**
Weighted average number of equity shares (Face value of ₹10 each) for the calculation of Diluted EPS	780,660,618	608,021,084
Diluted (EPS) (₹)*	**0.47**	**0.26**
Calculation of Weighted average number of equity shares for Diluted EPS:		
Weighted average number of equity shares	62,385	62,385
Weighted average number of CCDs	669,859,948	607,958,699
Weighted average number of OCDs	110,738,285	-
	780,660,618	**608,021,084**

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(All amounts in ₹ lakhs, unless otherwise stated)

29. The ratios for the year ended 31 March 2022 and 31 March 2021 are as follows:

S no.	Ratio	Numerator	Denominator	31 March 2022	31 March 2021	% Variance	Reason
(a)	Current ratio (in times)	Current assets	Current liabilities	2.43	3.08	(21.14)%	Not Applicable
(b)	Debt-equity ratio (in times)	Total debt	Total equity	0.07	-	100.00%	Increase on account of new borrowings
(c)	Debt service coverage ratio (in times)	Earnings before exceptional items, interest and tax	[Finance cost + principal repayments made during the period for non-current borrowings (including current maturities)]	34.56	3.82	805.87%	Movement in ratio due to improvement in EBIT and decrease in finance cost
(d)	Return on equity ratio (%)	Net profit after tax	Total equity	10.56%	3.44%	207.07%	Increase in profit on account of higher revenue from operations, deferred tax assets recognised during the year and decrease in equity on account of redemption of OCDs.
(e)	Inventory turnover ratio (in times)	Cost of sales, plots, constructed properties and others	Average inventory	0.17	0.12	46.74%	Decrease on account of change in average inventory
(f)	Trade receivable turnover ratio (in times)	Revenue from operations	Average trade receivable	352.71	238.15	48.11%	Decrease on account of average trade receivables
(g)	Trade payable turnover ratio (in times)*	Not applicable	Not applicable	-	-	-	Not Applicable
(h)	Net capital turnover ratio (in times)	Revenue from operations	Working capital $	0.41	0.27	54.26%	Increase on account of higher revenue from operations and decreased working capital
(i)	Net profit ratio (%)	Profit after tax	Revenue from operations	28.20%	13.43%	109.95%	Increase in profit on account of higher revenue from operations and creation of deferred tax assets.
(j)	Return on capital employed (%)	Earnings before interest and taxes	Capital employed @	7.33%	4.66%	57.40%	Increase in profit on account of higher revenue from operations and decrease in equity on account of redemption of OCDs.
(k)	Return on investment (%)	Not applicable	Not applicable	-	-		Not Applicable

* not relevant for industry in which the Company operates
$ Working capital = Total current assets less Total current liabilities
@ Capital employed has been considered as 'Total equity'

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DLF Homes Panchkula Pvt. Ltd. * Gurgaon

30. Segment Information

In line with the provisions of Ind AS 108 – operating segments and basis the review of operations being done by the board and the management, the operations of the Company fall majorly under Construction development, real estate business and Club business.

The Company has income from operation of club which is insignificant and less than criteria of reportable segment as per IND AS 108. Company derives its major revenues from construction and development of real estate projects accordingly, considered to be only reportable segment.

The Company is operating in India which is considered as a single geographical segment.

31. Related party disclosures

a) **Name of related parties and related party relationship as per Ind AS**

Ultimate Holding Company	Rajdhani Investments & Agencies Private Limited
Intermediate Holding company	DLF Limited DLF Utilities Limited (Real estate undertaking merged with DLF Limited w.e.f. 1 April 2021 vide order dated 2 February 2022) DLF Real Estate Builders Limited (merged with DLF Limited w.e.f. 1 April 2021 vide order dated 2 February 2022)
Holding Company	DLF Home Developers Limited
Fellow subsidiary	DLF Commercial Developers Limited
Fellow subsidiary	DLF Recreational Foundation Limited
Fellow subsidiary	DLF Residential Partners Limited
Fellow subsidiary	Blanca Builders and Developers Private Limited
Fellow subsidiary	Damalis Builders & Developers Private Limited
Joint venture of intermediate Holding company	DLF Cyber City Developers Limited
Joint venture of intermediate Holding company	DLF Land India Private Limited
Joint venture of intermediate Holding company	DLF City Centre Limited

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DLF HOMES PANCHKULA PVT. LTD. GURUGRAM

(All amounts in ₹ lakhs, unless otherwise stated)

b) Transactions with related parties during the year:

	Holding Company		Enterprises having influence over Holding company		Fellow subsidiary and Joint venture of intermediate Holding company		Total	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Loans taken								
- DLF Commercial Developers Limited	-	-	-	-	3,800.00	-	3,800.00	-
- DLF Home Developers Limited	-	24,919.00	-	-	-	-	-	24,919.00
Total	-	**24,919.00**	-	-	-	-	-	**24,919.00**
Loans repaid/ Adjusted								
- DLF Commercial Developers Limited	-	-	-	-	1,450.00	-	1,450.00	-
- DLF Home Developers Limited*	-	81,292.70	-	-	-	-	-	81,292.70
Total	-	**81,292.70**	-	-	-	-	-	**81,292.70**
Issue of Compulsory convertible debentures (refer note 15)								
- DLF Home Developers Limited	-	80,692.70	-	-	-	-	-	80,692.70
Total	-	**80,692.70**	-	-	-	-	-	**80,692.70**
Conversation of CCDs in to OCDs (refer note 15)								
- DLF Home Developers Limited	80,692.70	-	-	-	-	-	80,692.70	-
Total	**80,692.70**	-	-	-	-	-	**80,692.70**	-
Redemption of optionally convertible debentures (refer note 15)								
- DLF Home Developers Limited	15,500.00	-	-	-	-	-	15,500.00	-
Total	**15,500.00**	-	-	-	-	-	**15,500.00**	-
Interest on compulsorily /optionally convertible debenture								
- DLF Home Developers Limited	7.80	6.08	-	-	-	-	7.80	6.08
Total	**7.80**	**6.08**	-	-	-	-	**7.80**	**6.08**
Interest on unsecured loans								
- DLF Commercial Developers Limited	-	-	-	-	62.73	-	62.73	-
- DLF Home Developers Limited		563.16	-	-	-	-	-	563.16
Total	-	**563.16**	-	-	**62.73**	-	**62.73**	**563.16**
Security deposit paid								
- DLF Limited	-	-	50.00	-	-	-	50.00	-
- DLF Home Developers Limited	100.00	-	-	-	-	-	100.00	-
Total	**100.00**	-	-	-	-	-	**150.00**	-
Employee benefit liabilities of employees transferred out								
- DLF Home Developers Limited	-	11.25	-	-	-	-	-	11.25
Total	-	**11.25**	-	-	-	-	-	**11.25**

	Holding Company		Enterprises having influence over Holding company		Fellow subsidiary and Joint venture of intermediate Holding company		Total	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Recreational Facility Income								
- DLF Limited	-	-	-	2.13	-	-	-	2.13
- DLF Home Developers Limited	-	0.69	-	-	-	-	-	0.69
Total	-	0.69	-	2.13	-	-	-	2.83
Staff welfare expenses								
- DLF Recreational Foundation Limited	-	-	-	-	-	0.09	-	0.09
Total	-	-	-	-	-	0.09	-	0.09
Expenses incurred by								
- DLF Home Developers Limited	1.14	-	-	-	-	-	1.14	-
-DLF Residential Partners Limited	-	-	-	-	344.85	-	344.85	-
-Blanca Builders and Developers Private Limited	-	-	-	-	988.18	-	988.18	-
-DLF Real Estate Builders Limited (merged with DLF Limited)	-	-	345.74	-	-	-	345.74	-
-DLF Utilities Limited (Real estate undertaking merged with DLF Limited)	-	-	637.61	-	-	-	637.61	-
-Damalis Builders & Developers Private Limited	-	-	-	-	492.63	-	492.63	-
Total	1.14	-	983.35	-	1,825.66	-	2,810.15	-
Expenses recovered from								
- DLF Cyber City Developers Limited	-	-	-	-	8,869.72	-	8,869.72	
- DLF Land India Private Limited	-	-	-	-	930.00	-	930.00	
- DLF City Centre Limited	-	-	-	-	5,709.00	-	5,709.00	-
Total	-	-	-	-	15,508.72	-	15,508.72	-
Reimbursement of expenses incurred by								
- DLF Limited	-	-	20.32	17.28	-	-	20.32	17.28
Total	-	-	20.32	17.28	-	-	20.32	17.28
Corporate guarantee issued/(released)								
- DLF Limited (refer note 36 A)	-	-	12,000.00	-	-	-	12,000.00	-
Total	-	-	12,000.00	-	-	-	12,000.00	-

*Out of ₹ 81,292.70 lakhs, Compulsorily convertible debentures (CCDs) issued for ₹ 80,692.70 lakhs and ₹ 600 lakhs repaid during the previous year.

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(All amounts in ₹ lakhs, unless otherwise stated)

c) Balances outstanding at the end of the year:

	Holding Company		Enterprises having influence over Holding company		Fellow subsidiary and Joint venture of intermediate Holding company		Total	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Unsecured loan payable								
- DLF Commercial Developers Limited	-	-	-	-	2,350.00	-	-	-
Total	-	-	-	-	2,350.00	-	-	-
Interest payable on unsecured loans								
- DLF Commercial Developers Limited	-	-	-	-	56.46	-	56.46	-
Total	-	-	-	-	56.46	-	56.46	-
Interest payable on Compulsory convertible debenture (CCDs)								
- DLF Home Developers Limited	5.87	5.62	-	-	-	-	5.87	5.62
Total	5.87	5.62	-	-	-	-	5.87	5.62
Compulsorily convertible debentures (CCDs) [refer note 15]								
- DLF Home Developers Limited	-	80,692.70	-	-			-	80,692.70
Total	-	80,692.70	-	-	-	-	-	80,692.70
Optionally convertible debentures (OCDs) [refer note 15]								
- DLF Home Developers Limited	65,192.70	-	-	-			65,192.70	-
Total	65,192.70	-	-	-	-	-	65,192.70	-
Security deposit								
- DLF Limited	-	-	50.00	-	-	-	50.00	-
- DLF Home Developers Limited	100.00	-	-	-	-	-	100.00	-
Total	100.00	-	-	-	-	-	100.00	-
Royalty / management fees payable								
- DLF Limited	-	-	-	3,075.45	-	-	-	3,075.45
Total	-	-	-	3,075.45	-	-	-	3,075.45
Amounts payable								
- DLF Home Developers Limited	1.14	11.25	-	-	-	-	1.14	11.25
- DLF Limited	-	-	-	13.85	-	-	-	13.85
Total	1.14	11.25	-	13.85	-	-	1.14	25.10
Amounts recoverable								
- DLF Home Developers Limited	-	0.73	-	-	-	-	-	0.73
Total	-	0.73	-	-	-	-	-	0.73
Corporate guarantee given								
- DLF Limited	-	-	12,000.00	-	-	-	12,000.00	-
Total	-	-	12,000.00	-	-	-	12,000.00	-

Terms and conditions of transactions with related parties:

1. The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs by cheque/RTGS.

2. The Company has issued compulsorily/optionally convertible debentures "CCDs/OCDs" to related parties. These "CCDs/OCDs" carry interest @0.01% payable annually.

3. The Company has obtained loan from related party at interest rate of 7.50% per annum, which is repayable on demand.
4. The Company has given corporate guarantee to bank in respect of loan take by intermediatory Holding company from bank and financial institution.

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(All amounts in ₹ lakhs, unless otherwise stated)

32. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") is as under:

Particulars	31 March 2022	31 March 2021
i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	24.08	53.46
ii) the amount of interest paid by the buyer in terms of Section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during the year) but without adding the interest specified under MSMED Act, 2006;	Nil	Nil
iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23.	Nil	Nil

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company.

33. Employee benefit obligation

Gratuity plan

The Company has a defined benefit gratuity plan, which is unfunded. The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The weighted-average duration of the defined benefit obligation is 20.61 years (31 March 2021: 21.61 years)

Risks associated with plan provisions

The Company is exposed to number of risks in the defined benefit plans. Most significant risks pertaining to defined benefit plans and management's estimation of the impact if these risks are as follows:

Salary growth risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.
Interest rate risk	A decrease in interest rate in future years will increase the plan liability.
Life expectancy risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.
Withdrawals risk	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

Amount recognized in the statement of profit and loss is as under:

Net employee benefit expense: -

Particulars	31 March 2022	31 March 2021
Current service cost	1.98	3.36
Interest cost on benefit obligation	1.03	3.15
Amount recognized in the statement of profit and loss	**3.01**	**6.51**

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(All amounts in ₹ lakhs, unless otherwise stated)

Balance sheet

Details of provision for gratuity

Particulars	31 March 2022	31 March 2021
Defined benefit obligation	16.32	14.15
Fair value of plan assets	-	-
Plan asset / (liability)	**16.32**	**14.15**

Changes in the present value of the defined benefit obligation are as follows:

Particulars		31 March 2022	31 March 2021
Present value of defined benefit obligation as at the start of the year		14.15	44.52
Interest cost	Charged to statement of profit and loss	1.03	3.15
Current service cost		1.98	3.36
Benefits paid		-	(21.15)
Actuarial (gains) / losses from changes in financial assumptions	Recognised in other comprehensive income	(1.33)	0.55
Experience adjustment loss for plan liabilities		0.49	(5.03)
Liability transferred on account of employee transferred to other companies (net)		-	(11.25)
Present value of defined benefit obligation as at the end of the year		16.32	14.15
current portion of defined benefit obligation		0.32	0.25
Non-current portion of defined benefit obligation		16.00	13.90

Breakup of Actuarial (gain)/loss: Other Comprehensive Income

Description	31 March 2022	31 March 2021
Actuarial (gain)/loss on arising from change in financial assumption	(1.33)	0.55
Actuarial (gain)/loss on arising from experience adjustment	0.49	(5.03)

There are no plan assets as on 31 March 2022 and 31 March 2021 for defined benefit gratuity plan.

The principal assumptions used in determining gratuity benefit obligations for the Company's plan are shown below:

	31 March 2022	31 March 2021
Discount rate	7.37%	6.90%
Increase in compensation cost	7.50%	For first year: 7% Thereafter: 7.50%
Mortality	IALM 2012-14	IALM 2012-14
Normal retiring age	58/60/62/65/68 years	60/62 years

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(All amounts in ₹ lakhs, unless otherwise stated)

Withdrawal rates: Age related and past experience

Age	% Withdrawal 31 March 2022	% Withdrawal 31 March 2021
Up to 30 years	3%	3%
Between 31 and 44 years	2%	2%
Above 44 years	1%	1%

Expected contribution for the next reporting period is as follows:

	31 March 2022	31 March 2021
Service cost	1.55	2.97
Net interest cost	1.25	1.07
Expected expense for the next annual reporting expense	**2.80**	**4.04**

Maturity Profile of Defined Benefit Obligation – Gratuity:

S. No	Year	31 March 2022	31 March 2021
1	Within the next 12 months (next annual reporting period)	0.33	0.25
2	Between 1 and 5 years	1.92	1.20
3	Between 5 and 10 years	61.25	12.70

The estimates of future salary increase, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

A quantitative sensitivity analysis for significant assumption as at 31 March 2022 and 31 Marc 2021 is as shown below:

	31 March 2022			
Assumptions	Discount rate		Salary growth rate	
Sensitivity level	**0.50% increase**	**0.50% decrease**	**0.50% increase**	**0.50% decrease**
Impact on defined benefit obligation	(1.28)	1.41	1.41	(1.29)
	31 March 2021			
Assumptions	**Discount rate**		**Salary growth rate**	
Sensitivity level	**0.50% increase**	**0.50% decrease**	**0.50% increase**	**0.50% decrease**
Impact on defined benefit obligation	(1.17)	1.27	1.28	(1.21)

Sensitivities due to mortality and withdrawal are not material and hence impact of change not calculated.

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34. Consequent to the uncertainties/ disruptions caused due to continuation of pandemic, the Company has made assessment of impact of this pandemic on its business operations and has made assessment of its liquidity position for the next one year and believes that there is no significant impact of Covid 19 on the Company's business operations. The Company has assessed the recoverability and carrying value of its assets comprising property, plant and equipment, investment properties, intangible assets, right of use assets, investments, inventory, advances, trade receivables, deferred taxes, other financial and non-financial assets etc. as at period end using various internal and external information up to the date of approval of these standalone financial results. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. Changing situation of pandemic is giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID-19 pandemic which may be different from that estimated as at the date of approval of these standalone financial results and the Company will continue to closely observe the evolving scenario and take into account any future developments arising out of the same.

35. The management has reassessed the estimated cost of completion of its real estate projects at Panchkula and has accounted for anticipated loss of ₹ 2,265.80 lakhs (31 March 2021 ₹ 2,831.86 lakhs) under the head 'Cost of sales' and 'Inventories' till 31 March 2022 considering that the estimated cost of a unit is expected to exceed the revenue of respective unit under project. The management is confident that the cost is based on its best estimates and no further adjustments are required in these financial statements at this stage.

36. Contingent liability, Commitments and Litigations:

A. **Contingent Liability:**

	31 March 2022	31 March 2021
i) Claim against the company not acknowledged as debt*		
- Income tax demand/effects	2,056.56	1,276.81
- Service tax	685.31	685.31
ii) Guarantees issued by the Company on behalf of intermediate holding company#	12,000.00	-

*On the basis of current status of individual case for respective years and as per legal advice obtained by the Company, wherever applicable, the Company is confident of winning the above cases and is of the view that no provision is required in respect of above cases.

#During the year, the Company issued corporate guarantee of ₹ 20,000.00 lakhs in favor of ICICI Bank Limited against a loan obtained by the intermediatory holding company on 16 June 2021. The outstanding balance as on 31 March 2022 was ₹ 12,000.00 lakhs.

B. **Capital and other commitment:**

	31 March 2022	31 March 2021
Capital commitments (for property, plant and equipment)	1.31	1.31

C. **Litigation**

In April 2012, the Hon'ble Supreme Court (SC) had issued directions to Haryana Government, its functionaries and the builders restraining them from undertaking further construction activities at the project site in a land acquisition petition filed by some third party. The Company, in compliance of the above directions, stopped construction activities at the project site. Subsequently, the Hon'ble Supreme Court on 12 December 2012 dismissed the said petition and vacated the stay.

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In another case, certain individuals have challenged the government's earlier land acquisition proceedings and the subsequent release of land in favor of the Company and filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court which was remanded back to the Punjab & Haryana High Court for the final adjudication by the Supreme Court. The said matter is pending adjudication before the Hon'ble Punjab & Haryana High Court.

While the management has assessed that this delay in its project development constitutes Force Majeure in accordance with the agreed terms of the buyer agreements, various customers filed cases against the Company seeking possession of properties along with the compensation in the form of interest on the amount deposited. While some customers are seeking refund of amount deposited along with the interest. As at 31 March 2022, there are 202 outstanding consumer cases (31 March 2021: 207) pending for disposal before the National Consumer Disputes Redressal Commission ('NCDRC') and State Consumer Disputes Redressal Commission ('SCDRC'). While the SCDRC had ordered the Company to pay compensation in the form of interest of 12% per annum for the period of delay, the Company's appeal against the same had been stayed by the NCDRC. However, the orders of NCDRC in many batch appeals were challenged before the Hon'ble Supreme Court and the Hon'ble Supreme Court had reduced the interest payable to 9% per annum for the period related to delay in offer for possession.

The Company, based on the assessment by legal expert of likelihood of liability in this regard devolving upon the Company, has provided additional compensation amounting to Nil (31 March 2021 ₹ Nil) payable to all the eligible customers computed at the rate of 9% p.a. on the amount received from the customers for the period of delay in handover and has reduced the sale value of real estate properties by the said amount. The management is confident that no further liability is expected to devolve upon the Company.

37. Other statutory information for the year ended 31 March 2022 and 31 March 2021:

i) The Company do not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property under the 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.

(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(ies), 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(ies), 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.

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(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 wilful defaulter by any bank or financial institution or Government or any Government authority or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

(ix) The Company has complied with 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 from the date of their implementation.

38. The Board of Directors of the Company vide its resolution dated 21 March 2022 has accorded consent for Scheme of Amalgamation involving Jesen Builders & Developers Private Limited, Jingle Builders & Developers Private Limited, Gavel Builders & Constructions Private Limited, Keyna Builders & Constructions Private Limited, Morgan Builders & Developers Private Limited, Morina Builders & Developers Private Limited and Morven Builders & Developers Private Limited ('the Transferor Companies') with DLF Homes Panchkula Private Limited ('the Transferee Company').

39. a) **Corporate Social Responsibility (CSR)**

In view of the average losses for the last three financial years pursuant to Section 135 and other relevant provisions of the Companies Act, 2013 read with the Rules made thereunder, the Company has not incurred any amount on the corporate social responsibility activities during the year.

b) The Company had entered into Agreements to Sell (ATS) with various land owners for purchase of lands aggregating to 12.20 acres for a total purchase consideration of ₹ 1,428.07 lakhs (31 March 2021: area 12.20 acres and consideration ₹ 1,428.07 lakhs), out of which 10.55 acres and consideration of ₹ 1,211.57 lacs (31 March 2021: area 10.55 acres and consideration ₹ 1,211.57 lakhs) has already been registered in favor of the Company and balance 1.65 acres and consideration of ₹ 216.50 lakhs (31 March 2021: area 1.65 acres and consideration ₹ 216.50 lakhs) is yet to be registered in Company's favor.

The Company had also entered into collaboration agreements of 45.10 acres (31 March 2021: 45.10 acres) with various landowners for development of land against which 51,289 sq. yd. (31 March 2021: 51,289 sq. yd.) of developed plots is to be given as consideration. Out of the total area, 19.20 acres (31 March 2021: 16.14 acres) has already been registered in favor of the Company and balance 25.90 acres (31 March 2021: 28.96 acres) is yet to be registered in favor of the Company.

The Company has given advances to landowners aggregating to ₹ 182.90 lakhs (31 March 2021: ₹ 182.90 lakhs) and has also paid security deposit of ₹ 22.00 lakhs (31 March 2021: ₹ 22.00 lakhs) against purchase of land in accordance with collaboration agreements entered.

The management believes that the Company will be able to develop the said lands under the collaboration agreements once the Company receives the license for development for the balance land and the advances/security deposit given will be adjusted against the consideration for collaboration agreement.

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(All amounts in ₹ lakhs, unless otherwise stated)

40 Financial instruments by category

i) Financial instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value.

Particulars	31 March 2022			31 March 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Trade receivables	-	-	4.26	-	-	69.64
Loans	-	-	5,651.35	-	-	-
Cash and equivalents	-	-	665.19	-	-	335.55
Other bank balance	-	-	1,649.41	-	-	145.58
Other financial assets	-	-	214.14	-	-	54.13
Total	-	-	8,184.35	-	-	604.90
Financial liabilities						
Borrowings	-	-	2,350.00	-	-	-
Trade payable	-	-	453.15	-	-	3,743.27
Other financial liabilities	-	-	461.81	-	-	432.07
Total	-	-	3,264.96	-	-	4,175.34

ii) Fair values hierarchy

Financial assets are measured at fair value in the financial statement and are grouped into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for financial instruments.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: unobservable inputs for the asset or liability.

iii) Financial assets measured at fair value- recurring fair value measurements

The Company has not measured any Financial asset/financial liabilities on fair value. All the financial assets/financial liabilities have been measured at amortised cost.

iv) Fair value of instruments measured at amortised cost

Particulars	Level	31 March 2022		31 March 2021	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Trade receivables	Level 3	4.26	4.26	69.64	69.64
Loans	Level 3	5,651.35	5,651.35	-	-
Cash and cash equivalents	Level 3	665.19	665.19	335.55	335.55
Other bank balances	Level 3	1,649.41	1,649.41	145.58	145.58
Other financial assets	Level 3	214.14	214.14	54.13	54.13
Total financial assets		8,184.35	8,184.35	604.90	604.90
Borrowings	Level 3	2,350.00	2,350.00	-	-
Trade payable	Level 3	453.15	453.15	3,743.27	3,743.27
Other financial liabilities	Level 3	461.81	461.81	432.07	432.07
Total financial liabilities		3,264.96	3,264.96	4,175.34	4,175.34

41 Financial risk management objectives and policies

The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(i) Financial instruments by category
For amortised cost instruments, carrying value reprsents the best estimates of fair value.

(ii) Risk management objectives and policies
The Companies' activities exposes it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

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A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company under a financial instrument or customer contract leading to a financial loss. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortized cost includes loans to employees, security deposits and other credit risk related to other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

a) Credit risk management

i) Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk
B: Moderate credit risk
C: High credit risk

The Company provides for expected credit loss based on the following:

Asset group	Basis of categorisation	Provision for expected credit loss*
A. Low credit risk	Cash and cash equivalents, other bank balances, loans, and other financial assets	12 month expected credit loss
B. Moderate credit risk	Loans and other financial assets	12 month expected credit loss / Life time expected credit loss
C. High credit risk	Trade receivables	Life time expected credit loss

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

In respect of trade receivables, the company recognises a provision for lifetime expected credit loss.

Credit rating	Particulars	31 March 2022	31 March 2021
Low credit risk	Cash and cash equivalents, other bank balances, loans, and other financial assets	8,180.09	535.26
B: Moderate credit risk	Loans and other financial assets	-	-
High credit risk	Trade receivables	4.26	69.64

b) Credit risk exposure

Provision for expected credit losses

The Company provides for expected credit loss based on 12 month and lifetime expected credit loss basis for following financial assets –

31 March 2022

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	157.46	(153.20)	4.26
Loans	5,651.35	-	5,651.35
Cash and equivalents	665.19	-	665.19
Other bank balance	1,649.41	-	1,649.41
Other financial assets	214.14	-	214.14
	8,337.55	(153.20)	8,184.35

31 March 2021

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Trade receivables	128.86	(59.22)	69.64
Cash and equivalents	335.55	-	335.55
Other bank balance	145.58	-	145.58
Other financial assets	54.13	-	54.13
	664.12	(59.22)	604.90

(ii) Expected credit loss for trade receivables under simplified approach

The Company's trade receivables in respect of projects does not have any expected credit loss as registry of properties sold is generally carried out once the Company receives the entire payment. During the periods presented, the Company made ₹. 68.80 lakhs (31 March 2021: ₹ 68.80 lakhs) provision towards club annual charges and tax recoverable from custome? In respect of other trade receivables, the Company considers provision for lifetime expected credit loss. Given the nature of business operations, the Company's trade receivables have low credit risk as the Company holds security deposits equivalents ranging from three to six months rentals. Further historical trends indicate any shortfall between such deposits held by the Company and amounts due from customers have been negligible.

(All amounts in ₹ lakhs, unless otherwise stated)

Reconciliation of loss allowance provision - Trade receivables, loans and other financial assets

Reconciliation of loss allowance	Amount
Loss allowance on 1 April 2020	**9.37**
Add: Allowance for expected credit loss (net)	49.85
Utilisation of expected credit loss	-
Loss allowance on 31 March 2021	**59.22**
Add: Allowance for expected credit loss (net)	93.98
Utilisation of expected credit loss	-
Loss allowance on 31 March 2022	**153.20**

B) **Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

31 March 2022	Less than 1 year	1-5 year	More than 5 years	Total
Borrowings (including interest)	2,406.46			2,406.46
Interest accrued on CCDs	5.87	-	-	5.87
Trade payable	453.15	-	-	453.15
Other financial liabilites	399.48	-	-	399.48
Total	**3,264.96**	-	-	**858.50**

31 March 2021	Less than 1 year	1-5 year	More than 5 years	Total
Interest accrued on CCDs	5.62			
Trade payable	3,743.27	-	-	3,743.27
Other financial liabilites	426.45	-	-	426.45
Total	**4,175.34**	-	-	**4,169.72**

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

C) **Market Risk**

a) **Interest rate risk**

i) **Liabilities**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	31 March 2022	31 March 2021
Fixed rate borrowing	2,350.00	-
Total borrowings	**2,350.00**	**-**

ii) Assets

The Company's fixed deposits are carried at fixed rate. Therefore, the said asset not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

42 **Capital management**

Risk management

The Company's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying

Particulars	31 March 2022	31 March 2021
Net debts* (A)	1,684.81	(335.55)
Total equity	34,805.61	46,629.96
Capital and net debt (B)	36,490.42	46,294.41
Net debt to equity ratio (gearing ratio) (A/B)	4.62%	(0.72)%

* Net Debt = Borrowings - cash and cash equivalents

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43. The figures for the corresponding previous year have been regrouped/ reclassified, wherever considered necessary including requirements of the amended Schedule III to the Companies Act 2013, to make them comparable with current year classification.

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration Number : 301003E/ E300005

per Amit Yadav
Partner

Membership Number: 501753
Place: Gurugram
Date: 13 May 2022

S.R. BATLIBOI & CO. LLP GURUGRAM

For and on behalf of the Board of Directors of
DLF Homes Panchkula Private Limited

Sandhya Singla	**Deshbandhu Gupta**
Director	Director
DIN: 08893844	DIN: 08146316

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