

***DLF Homes Panchkula  
Private Limited***

***Balance sheet  
FY 2022-23***

**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, 2023, 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, 2023, 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.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's 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.

**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.

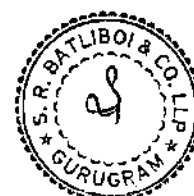
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **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.
- 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) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) 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;
  - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2023;
  - (h) 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
    - 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



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or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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


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.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

**For S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Amit Yadav

Partner

Membership Number: 501753

UDIN: 23501753BGXRP8202



Place of Signature: Gurugram

Date: May 11, 2023

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

**Re: DLF Homes Panchkula 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, 2023 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, 2023.
- (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, 2023 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:

| <b>(Rs in Lakhs)</b>  |                   |                 |              |                                    |
|---|-------------------|-----------------|--------------|------------------------------------|
| <b>Particulars.</b>   | <b>Guarantees</b> | <b>Security</b> | <b>Loans</b> | <b>Advances in nature of loans</b> |
| -Intermediate Holding Company   | -                 | -               | -            | -                                  |
| -Subsidiaries   | -                 | -               | -            | -                                  |
| -Joint Ventures   | -                 | -               | -            | -                                  |
| -Fellow Subsidiaries  | -                 | -               | 4,700.00     | -                                  |
| -Other Party  | -                 | -               | -            | -                                  |
| Balance outstanding as at balance sheet date in respect of above cases* |                   |                 |              |                                    |
| -Intermediate Holding Company   | -                 | -               | -            | -                                  |
| -Subsidiaries   | -                 | -               | -            | -                                  |
| -Joint Ventures   | -                 | -               | -            | -                                  |
| -Fellow Subsidiaries  | -                 | -               | 4,600.00     | -                                  |
| -Other Party  | -                 | -               | -            | -                                  |

\*Represent balance of parties in respect of which any transaction was done during the year.



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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 companies 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 including interest 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 12 to the financial statements during the year, the Company has granted loan to companies which is repayable on demand as stated below and none of these are granted to promoters as defined in clause (76) of section 2 of the Companies Act, 2013.

| (Rs in Lakhs)   |                     |
|---|---------------------|
| Particulars   | Fellow Subsidiaries |
| Aggregate amount of loans/ advances in nature of loans              | 4,600.00            |
| - Repayable on demand   |                     |
| Percentage of loans/ advances in nature of loans to the total loans | 46 %                |

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 Statute                             | 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 non-deduction of TDS on payment of EDC Charges | 2,151.67              | -                                       | Assessment year 2016-17  | Assessing officer, Income Tax                           |
| 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 Gurugram |

- (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) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (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.
- (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) of the Order is not applicable to the Company.
- (xii) (b) 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)(b) of the Order is not applicable to the Company.
- (xii) (c) 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) (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 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.
- (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) The Group does not have more than one CIC as 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 30 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 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



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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) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 38(a) to the financial statements.
- (xx) (b) All amounts that are unspent under section (5) of section 135 of Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section 135 of the said Act. This matter has been disclosed in note 38 (a) to the financial statements.

**For S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Anshu Yadav  
Partner

Membership Number: 501753

UDIN: 23501753BGXRVP8202



Place of Signature: Gurugram

Date: May 11, 2023

**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, 2023 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**

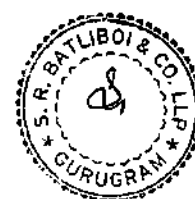
Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance 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 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, 2023, 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: 23501753BGXRV8202



Place of Signature: Gurugram

Date: May 11, 2023

**DLF Homes Panchkula Private Limited**  
**Balance sheet as at 31 March 2023**  
*(All amounts in ₹ lakhs, unless otherwise stated)*

|  | Notes | As at<br>31 March 2023 | As at<br>31 March 2022 |
|--|-------|------------------------|------------------------|
| <b>ASSETS</b>  |       |                        |                        |
| <b>Non-current assets</b>  |       |                        |                        |
| Property, plant and equipment  | 3     | 1,347.06               | 1,473.46               |
| Other intangible assets  | 4     | -                      | 1.04                   |
| <b>Financial assets</b>  |       |                        |                        |
| Other financial assets   | 5     | 223.64                 | 214.14                 |
| Deferred tax assets  | 6     | 4,927.94               | 1,195.79               |
| Non-current tax assets (net)   | 7     | 325.72                 | 212.64                 |
| Other non-current assets   | 13    | -                      | 3.88                   |
|  |       | <b>6,824.36</b>        | <b>3,100.95</b>        |
| <b>Current assets</b>  |       |                        |                        |
| Inventories  | 8     | 44,387.46              | 43,940.04              |
| <b>Financial assets</b>  |       |                        |                        |
| Trade receivables  | 9     | 6.54                   | 4.26                   |
| Cash and cash equivalents  | 10    | 870.28                 | 665.19                 |
| Other bank balances  | 11    | 13,128.64              | 1,649.41               |
| Loans  | 12    | 10,877.71              | 5,652.55               |
| Other current assets   | 13    | 6,451.98               | 2,100.93               |
|  |       | <b>75,722.61</b>       | <b>54,012.38</b>       |
| <b>Total assets</b>  |       | <b>82,546.97</b>       | <b>57,113.33</b>       |
| <b>EQUITY AND LIABILITIES</b>  |       |                        |                        |
| <b>Equity</b>  |       |                        |                        |
| Equity share capital   | 14    | 106.24                 | 6.24                   |
| Other equity   | 15    | 39,861.77              | 34,799.37              |
| <b>Total equity</b>  |       | <b>39,968.01</b>       | <b>34,805.61</b>       |
| <b>Liabilities</b>   |       |                        |                        |
| <b>Non-current liabilities</b>   |       |                        |                        |
| Provisions   | 16    | 18.63                  | 16.00                  |
|  |       | <b>18.63</b>           | <b>16.00</b>           |
| <b>Current liabilities</b>   |       |                        |                        |
| <b>Financial liabilities</b>   |       |                        |                        |
| Borrowings   | 17    | -                      | 2,350.00               |
| Trade payables   | 18    |                        |                        |
| - Total outstanding dues of micro and small enterprises                      |       | 465.53                 | 24.08                  |
| - Total outstanding dues of creditors other than micro and small enterprises |       | 2,240.64               | 429.07                 |
| Other financial liabilities  | 19    | 420.15                 | 461.81                 |
| Other current liabilities  | 20    | 39,433.58              | 19,026.42              |
| Provisions   | 16    | 0.43                   | 0.34                   |
|  |       | <b>42,560.33</b>       | <b>22,291.72</b>       |
| <b>Total liabilities</b>   |       | <b>42,578.96</b>       | <b>22,307.72</b>       |
| <b>Total equity and liabilities</b>  |       | <b>82,546.97</b>       | <b>57,113.33</b>       |

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 : 11 May 2023



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

*Sandhya Singla*  
Sandhya Singla  
Director  
DIN: 08893844

*Deshbandhu Gupta*  
Deshbandhu Gupta  
Director  
DIN: 08146316



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**DLF Homes Panchkula Private Limited**

**Statement of profit and loss for the year ended 31 March 2023**

*(All amounts in ₹ lakhs, unless otherwise stated)*

|  | Notes | For the year ended<br>31 March 2023 | For the year ended<br>31 March 2022 |
|--|-------|-------------------------------------|-------------------------------------|
| <b>Income</b>  |       |                                     |                                     |
| Revenue from operations  | 21    | 12,479.32                           | 13,032.71                           |
| Other income   | 22    | 1,247.97                            | 334.69                              |
| <b>Total income</b>  |       | <b>13,727.29</b>                    | <b>13,367.40</b>                    |
| <b>Expenses</b>  |       |                                     |                                     |
| Cost of land, plots, constructed properties and others                               | 23    | 8,591.18                            | 9,280.23                            |
| Employee benefits expense  | 24    | 109.50                              | 119.63                              |
| Finance costs  | 25    | 106.40                              | 73.87                               |
| Depreciation and amortisation expense  | 26    | 131.28                              | 149.13                              |
| Other expenses   | 27    | 3,359.99                            | 1,265.52                            |
| <b>Total expenses</b>  |       | <b>12,298.35</b>                    | <b>10,888.38</b>                    |
| <b>Profit before tax</b>   |       | <b>1,428.94</b>                     | <b>2,479.02</b>                     |
| <b>Tax expense:</b>  | 28    |                                     |                                     |
| Current tax  |       | -                                   | -                                   |
| Deferred tax   |       | (3,732.48)                          | (1,196.00)                          |
| <b>Profit for the year</b>   |       | <b>5,161.42</b>                     | <b>3,675.02</b>                     |
| <b>Other comprehensive income</b>  |       |                                     |                                     |
| <b>Items that will not be reclassified to profit and loss in subsequent periods:</b> |       |                                     |                                     |
| Remeasurement gain on defined benefit plans  | 33    | 1.31                                | 0.84                                |
| Income tax effect  | 28    | (0.33)                              | (0.21)                              |
| <b>Other comprehensive income for the year</b>                                       |       | <b>0.98</b>                         | <b>0.63</b>                         |
| <b>Total comprehensive income for the year</b>                                       |       | <b>5,162.40</b>                     | <b>3,675.65</b>                     |
| <b>Earning per equity share (face value of ₹ 10 per share)</b>                       | 29    |                                     |                                     |
| Basic (₹)  |       | 485.83                              | 0.55                                |
| Diluted (₹)  |       | 0.79                                | 0.47                                |
| 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

*[Signature]*  
per Amit Yadav  
Partner

Membership Number: 501753

Place : Gurugram

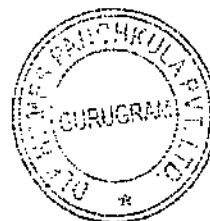
Date : 11 May 2023



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

*[Signature]*  
Sandhya Singla  
Director  
DIN: 08893844

*[Signature]*  
Deshbandhu Gupta  
Director  
DIN: 08146316



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**DLF Homes Panchkula Private Limited**  
**Cash flow statement for the year ended 31 March 2023**  
*(All amounts in ₹ lakhs, unless otherwise stated)*

|  | 31 March 2023      | 31 March 2022      |
|--|--------------------|--------------------|
| <b>A Cash flow from operating activities</b>                       |                    |                    |
| Profit before tax  | 1,428.94           | 2,479.02           |
| Adjustments for:   |                    |                    |
| Provision for doubtful debt and advances                           | 5.35               | 104.98             |
| Unclaimed balances/excess provision written back                   | (115.06)           | (87.64)            |
| Depreciation expense   | 131.28             | 149.13             |
| Interest income  | (973.77)           | (212.27)           |
| Finance costs  | 106.40             | 73.87              |
| <b>Operating profit before working capital adjustments</b>         | <b>583.14</b>      | <b>2,507.09</b>    |
| <b>Working capital adjustments:</b>                                |                    |                    |
| (Increase)/Decrease in inventories                                 | (447.42)           | 19,489.71          |
| Decrease/(Increase) in trade receivables                           | 30.65              | (28.60)            |
| Increase in other financial assets                                 | (9.50)             | (160.01)           |
| (Increase)/Decrease in other current/non current assets            | (4,354.98)         | 420.72             |
| Increase/(Decrease) in trade payables and other payables           | 2,268.10           | (3,222.73)         |
| Increase in financial liabilities                                  | 8.94               | 32.49              |
| Increase in other current liabilities                              | 20,476.68          | 1,567.72           |
| Increase in provisions   | 4.03               | 3.01               |
| <b>Cash generated from operations</b>                              | <b>18,559.64</b>   | <b>20,609.40</b>   |
| Direct tax paid (net)  | (113.08)           | (104.01)           |
| <b>Net cash generated from operating activities (A)</b>            | <b>18,446.56</b>   | <b>20,505.39</b>   |
| <b>B Cash flow from investing activities</b>                       |                    |                    |
| Investment in fixed deposit with maturity more than 3 months (net) | (11,479.23)        | (1,503.83)         |
| Purchase of property, plant and equipment                          | (3.84)             | (65.68)            |
| Loan given   | (4,700.00)         | (5,500.00)         |
| Loan repaid  | 100.00             | -                  |
| Interest received  | 348.60             | 60.92              |
| <b>Net cash used in from investing activities (B)</b>              | <b>(15,734.47)</b> | <b>(7,008.59)</b>  |
| <b>C Cash flow from financing activities</b>                       |                    |                    |
| Interest paid  | (157.00)           | (17.16)            |
| Repayment against redemption of optionally convertible debentures  | -                  | (15,500.00)        |
| Proceeds from borrowings   | 798.00             | 3,800.00           |
| Repayment of borrowings  | (3,148.00)         | (1,450.00)         |
| <b>Net cash used in financing activities (C)</b>                   | <b>(2,507.00)</b>  | <b>(13,167.16)</b> |
| <b>Net increase in cash and cash equivalents (A+B+C)</b>           | <b>205.09</b>      | <b>329.64</b>      |
| Cash and cash equivalents at the beginning of the year             | 665.19             | 335.55             |
| <b>Cash and cash equivalents at year end (refer note 10)</b>       | <b>870.28</b>      | <b>665.19</b>      |

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

*[Signature]*

per Amit Yadav  
Partner

Membership Number: 501753



Place : Gurugram

Date : 11 May 2023

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

*[Signature]*  
**Sandhya Singla**  
 Director  
 DIN: 08893844

*[Signature]*  
**Deshbandhu Gupta**  
 Director  
 DIN: 08146316



*[Handwritten mark]*

**DLF Homes Panchkula Private Limited**  
**Statement of Changes in Equity for the year ended 31 March 2023**  
*(All amounts in ₹ lakhs, unless otherwise stated)*

**A. Equity share capital (refer note 14)**

Equity shares of ₹ 10 each issued, subscribed and fully paid up

As at 01 April 2021

Issue of share capital

As at 31 March 2022

Issue of share capital

As at 31 March 2023

|                        | Number of shares | Amount |
|------------------------|------------------|--------|
| As at 01 April 2021    | 62,385           | 6.24   |
| Issue of share capital | -                | -      |
| As at 31 March 2022    | 62,385           | 6.24   |
| Issue of share capital | 1,000,000        | 100.00 |
| As at 31 March 2023    | 1,062,385        | 106.24 |

**B. Other equity (refer note 15)**

For the year ended 31 March 2023

|  | 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 2022  | -   | 65,192.70  | 25,119.53            | (55,512.86)       | 34,799.37          |
| Profit for the year  | -   | -  | -                    | 5,161.42          | 5,161.42           |
| Other comprehensive income   | -   | -  | -                    | 0.98              | 0.98               |
| Total comprehensive income for the year  | -   | 65,192.70  | 25,119.53            | (50,350.46)       | 39,961.77          |
| Conversion of compulsorily convertible debentures (CCDs) into optionally convertible debentures (OCDs) | -   | -  | -                    | -                 | -                  |
| Conversion of optionally convertible debentures (OCDs) into equity                                     | -   | (100.00)   | -                    | -                 | (100.00)           |
| Balance as at 31 March 2023  | -   | 65,092.70  | 25,119.53            | (50,350.46)       | 39,861.77          |

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 1 April 2021   | 80,692.70   | -  | 25,119.53            | (59,188.51)       | 46,623.72          |
| Profit for the year  | -   | -  | -                    | 3,675.02          | 3,675.02           |
| Other comprehensive income   | -   | -  | -                    | 0.63              | 0.63               |
| 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          |

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 : 11 May 2023



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

*Sandhya Singla*

Sandhya Singla

Director

DIN: 08893844

*Deshbandhu Gupta*

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, 2<sup>nd</sup> 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 11 May 2023.

## **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.



**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.



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.

**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.

**Incremental cost of obtaining contract**

The incremental cost of obtaining a contract with a customer is recognised as an asset if company expects to recover those costs subject to other conditions of the standard are met. These costs are charged to statement of profit and loss in accordance with the transfer of the property to the customer.



***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 (o) 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.

***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 recognised 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.

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   |

\*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***

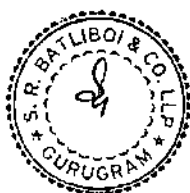
Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

**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 inventories 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.

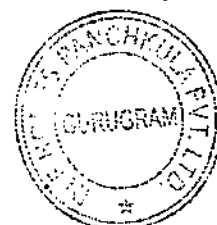
The Company bases its impairment calculation on detailed budgets and forecast calculation. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

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.

**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.

#### **u. 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.

***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:

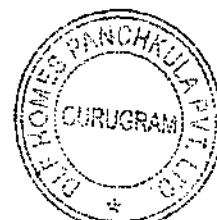
- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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.

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**

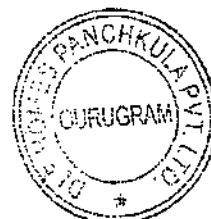
#### *Initial recognition and measurement*

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.

**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.

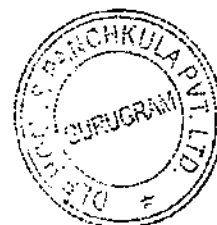
For the purpose of the statement of cash flows, cash and cash equivalents consist of unrestricted cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**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***

The Ministry of Corporate Affairs (MCA) in consultation with National Financial Reporting Authority (NFRA) vide its notification dated 23 March 2022, had made certain amendments in Companies (Indian Accounting Standard Rules), 2015. The Company has not early adopted any standards or amendments that have been issued but are not yet effective. These amendments apply for the first time from the year ending 31 March 2023, but do not have a material impact on the financial statements of the Company:

***i) 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.

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

***ii) 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.

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

***iii) 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.

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



***iv) 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.

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

***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 31 March 2023, had made certain amendments in Companies (Indian Accounting Standard Rules), 2015. Such amendments shall come into force with effect from 1 April 2023, but do not have a material impact on the standalone financial statements of the Company:

***i) Ind AS 1: Presentation of Financial Statements-***

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. Consequential amendments have been made in Ind AS 107 also.

The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

***ii) Ind AS 8: Accounting Policies, Changes in Accounting Estimates and Errors-***

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

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

***iii) Ind AS 12: Income Taxes-***

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101.

The Company is currently assessing the impact of the amendments.

**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.

*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**

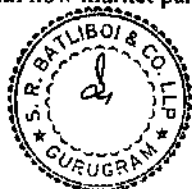
*Net realizable value of inventory* – The determination of net realisable value of inventory involves estimates based on prevailing market conditions, current prices and expected date of commencement and completion of the project, the estimated future selling price, cost to complete projects and selling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



**DLF Homes Panchkula Private Limited**
**Notes to financial statements for the year ended 31 March 2023**
*(All amounts in ₹ lakhs, unless otherwise stated)*
**3. Property, plant and equipment**

|                                    | Furniture and fittings | Office equipments | Computers | Plant and Machinery | Vehicles | Building | Freehold land** | Total    |
|------------------------------------|------------------------|-------------------|-----------|---------------------|----------|----------|-----------------|----------|
| <b>Gross Block</b>                 |                        |                   |           |                     |          |          |                 |          |
| At 01 April 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 |
| Additions                          | -                      | -                 | -         | 3.84                | -        | -        | -               | 3.84     |
| Disposals/Adjustment               | -                      | -                 | -         | -                   | -        | -        | -               | -        |
| At 31 March 2023                   | 342.88                 | 34.75             | 15.84     | 329.33              | 1.11     | 2,569.04 | 273.87          | 3,566.82 |
| <b>Depreciation and impairment</b> |                        |                   |           |                     |          |          |                 |          |
| At 01 April 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 |
| Charge for the year                | 46.34                  | 2.00              | 2.21      | 32.79               | 0.13     | 46.77    | -               | 130.24   |
| Disposals/Adjustment               | -                      | -                 | -         | -                   | -        | -        | -               | -        |
| At 31 March 2023                   | 269.11                 | 29.61             | 14.28     | 111.34              | 0.35     | 1,795.07 | -               | 2,219.76 |
| <b>Net block</b>                   |                        |                   |           |                     |          |          |                 |          |
| At 31 March 2022                   | 120.11                 | 7.14              | 3.77      | 246.94              | 0.89     | 820.74   | 273.87          | 1,473.46 |
| At 31 March 2023                   | 73.77                  | 5.14              | 1.56      | 217.99              | 0.76     | 773.97   | 273.87          | 1,347.06 |

\*\*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 2023 and 31 March 2022.





**DLF Homes Panchkula Private Limited****Notes to financial statements for the year ended 31 March 2023****(All amounts in ₹ lakhs, unless otherwise stated)****4. Other Intangible assets**

|                           | <b>Computer software</b> | <b>Total</b> |
|---------------------------|--------------------------|--------------|
| <b>Gross Block</b>        |                          |              |
| <b>At 01 April 2021</b>   | 6.49                     | <b>6.49</b>  |
| Additions                 | -                        | -            |
| Disposals/Adjustment      | -                        | -            |
| <b>At 31 March 2022</b>   | <b>6.49</b>              | <b>6.49</b>  |
| Additions during the year | -                        | -            |
| Deletions/adjustments     | -                        | -            |
| <b>At 31 March 2023</b>   | <b>6.49</b>              | <b>6.49</b>  |
| <b>Amortisation</b>       |                          |              |
| <b>At 01 April 2021</b>   | 3.37                     | <b>3.37</b>  |
| Amortisation              | 2.08                     | <b>2.08</b>  |
| <b>At 31 March 2022</b>   | <b>5.45</b>              | <b>5.45</b>  |
| Amortisation              | 1.04                     | <b>1.04</b>  |
| <b>At 31 March 2023</b>   | <b>6.49</b>              | <b>6.49</b>  |
| <b>Net block</b>          |                          |              |
| <b>At 31 March 2022</b>   | <b>1.04</b>              | <b>1.04</b>  |
| <b>At 31 March 2023</b>   | -                        | -            |



————— *This space has been intentionally left blank* —————



**5. Other financial assets (non current)**  
(Unsecured considered good unless stated otherwise)

|                                      | 31 March 2023 | 31 March 2022 |
|--------------------------------------|---------------|---------------|
| <b>Security deposits</b>             |               |               |
| from related parties (refer note 31) | 150.00        | 150.00        |
| from others                          | 73.64         | 64.14         |
|                                      | <b>223.64</b> | <b>214.14</b> |

**6. Deferred tax asset**

**Component of deferred tax asset**

**Deferred tax assets**

|   | 31 March 2023   | 31 March 2022   |
|---|-----------------|-----------------|
| Unabsorbed business losses, depreciation and amortisation                                 | 4,578.92        | 806.64          |
| Property, plant and equipment and other intangible assets - depreciation and amortisation | 294.63          | 327.78          |
| Provision on employee benefits  | 4.80            | 4.11            |
| Expected credit loss of financial assets/impairment of non-financial assets               | 49.59           | 57.26           |
| <b>Deferred tax asset</b>   | <b>4,927.94</b> | <b>1,195.79</b> |

**b) Reconciliation of deferred tax assets**

|  |                 |                 |
|--|-----------------|-----------------|
| Opening balance as of 1 April  | 1,195.79        | -               |
| Deferred tax income during the year recognised in Statement of Profit and loss | 3,732.48        | 1,196.00        |
| Deferred tax expense recognised during the year in OCI                         | (0.33)          | (0.21)          |
| <b>Closing balance as at 31 March</b>  | <b>4,927.94</b> | <b>1,195.79</b> |

(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 ₹ 49,734.23 lakhs (31 March 2022 ₹52,036.10 lakhs) that are available for off setting for 8 years against future taxable profits and unabsorbed depreciation of ₹ 660.52 lakhs (31 March 2022 ₹ 670.07 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 amounting to ₹ 32,201.34 lakhs (31 March 2022 ₹ 49,501.15 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 ₹ 8,104.43 lakhs (31 March 2022 ₹ 12,458.45 lakhs). The income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 25.17% (31 March 2022: 25.17%) and the reported tax expense in the statement of profit or loss are as follows:

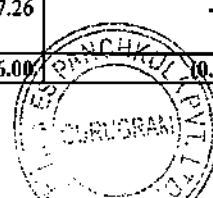
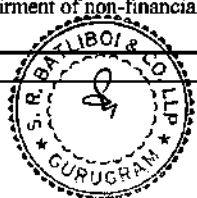
**c) Movement in deferred tax assets**

**Movement in deferred tax assets for the year ended 31 March 2023**

| Particulars   | 1 April 2022    | Recognised in statement of profit and loss | Recognised in other comprehensive income | 31 March 2023   |
|---|-----------------|--|--|-----------------|
| <b>Assets</b>   |                 |  |  |                 |
| Unabsorbed business losses, depreciation and amortisation                                 | 806.64          | 3,772.28                                   | -  | 4,578.92        |
| Provision for employee benefits   | 4.11            | 1.02                                       | (0.33)                                   | 4.80            |
| Property, plant and equipment and other intangible assets - depreciation and amortisation | 327.78          | (33.15)                                    | -  | 294.63          |
| Expected credit loss of financial assets/impairment of non-financial assets               | 57.26           | (7.67)                                     | -  | 49.59           |
| <b>Total</b>  | <b>1,195.79</b> | <b>3,732.48</b>                            | <b>(0.33)</b>                            | <b>4,927.94</b> |

**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 income | 31 March 2022   |
|---|--------------|--|--|-----------------|
| <b>Assets</b>   |              |  |  |                 |
| Unabsorbed business losses, depreciation and amortisation                                 | -            | 806.64                                     | -  | 806.64          |
| Provision for employee benefits   | -            | 4.32                                       | (0.21)                                   | 4.11            |
| Property, plant and equipment and other intangible assets - depreciation and amortisation | -            | 327.78                                     | -  | 327.78          |
| Expected credit loss of financial assets/impairment of non-financial assets               | -            | 57.26                                      | -  | 57.26           |
| <b>Total</b>  | <b>-</b>     | <b>1,196.00</b>                            | <b>(0.21)</b>                            | <b>1,195.79</b> |



**7. Non-current tax assets (net)**

|                                     | 31 March 2023 | 31 March 2022 |
|-------------------------------------|---------------|---------------|
| Income tax paid (net of provisions) | 325.72        | 212.64        |
|                                     | <b>325.72</b> | <b>212.64</b> |

**8. Inventories**

(Valued at cost or net realisable value which ever is lower)

|   | 31 March 2023    | 31 March 2022    |
|---|------------------|------------------|
| Land, plots and construction work in progress | 38,529.33        | 38,081.91        |
| Development rights                            | 5,858.13         | 5,858.13         |
|   | <b>44,387.46</b> | <b>43,940.04</b> |

**9. Trade receivables\*#**

|  | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| Due from related parties (refer note 31) | 3.60          | -             |
| Others                                   | 2.94          | 4.26          |
|  | <b>6.54</b>   | <b>4.26</b>   |

**Break-up for security details:**

**Trade receivables**

|                            |               |               |
|----------------------------|---------------|---------------|
| Secured, considered good   | -             | -             |
| Unsecured, considered good | 6.54          | 4.26          |
| Credit impaired            | 120.27        | 153.20        |
|                            | <b>126.81</b> | <b>157.46</b> |

**Impairment Allowance (allowance for expected credit loss)**

|                 |             |             |
|-----------------|-------------|-------------|
| Credit impaired | (120.27)    | (153.20)    |
|                 | <b>6.54</b> | <b>4.26</b> |

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

\* Includes ₹ 2.94 lakhs (31 March 2022 : ₹ 4.26 lakhs) from contract with customers under IND AS 115

**Trade receivables ageing schedule as at 31 March 2023**

| Particulars        | Outstanding for following period from date of booking |                   |             |             |                   | Total         |
|--------------------|---|-------------------|-------------|-------------|-------------------|---------------|
|                    | Less than 6 months                                    | 6 months - 1 year | 1-2 years   | 2-3 years   | More than 3 years |               |
| <b>Undisputed</b>  |   |                   |             |             |                   |               |
| Considered good    | 6.54  |                   |             |             |                   | 6.54          |
| Credit impaired    |   | 0.35              | 0.74        | 3.71        | 115.47            | 120.27        |
| <b>Disputed</b>    |   |                   |             |             |                   |               |
| Considered good    |   |                   |             |             |                   | -             |
| Credit impaired    |   |                   |             |             |                   | -             |
| <b>Grand total</b> | <b>6.54</b>   | <b>0.35</b>       | <b>0.74</b> | <b>3.71</b> | <b>115.47</b>     | <b>126.81</b> |

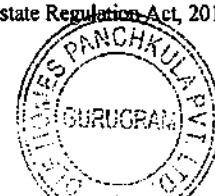
**Trade receivables ageing schedule as at 31 March 2022**

| Particulars        | Outstanding for following period from date of booking |                   |              |              |                   | Total         |
|--------------------|---|-------------------|--------------|--------------|-------------------|---------------|
|                    | Less than 6 months                                    | 6 months - 1 year | 1-2 years    | 2-3 years    | More than 3 years |               |
| <b>Undisputed</b>  |   |                   |              |              |                   |               |
| Considered good    | 4.26  | -                 | -            | -            | -                 | 4.26          |
| Credit impaired    | 5.78  | -                 | 73.65        | 61.59        | 0.52              | 141.54        |
| <b>Disputed</b>    |   |                   |              |              |                   |               |
| Considered good    | -   | -                 | -            | -            | -                 | -             |
| Credit impaired    | 0.60  | -                 | 6.41         | 4.65         | -                 | 11.66         |
| <b>Grand total</b> | <b>10.64</b>  | <b>-</b>          | <b>80.06</b> | <b>66.24</b> | <b>0.52</b>       | <b>157.46</b> |

**10. Cash and cash equivalents**

|                        | 31 March 2023 | 31 March 2022 |
|------------------------|---------------|---------------|
| Balances with banks    |               |               |
| - On current accounts* | 870.28        | 665.19        |
|                        | <b>870.28</b> | <b>665.19</b> |

\* Includes ₹ 344.02 lakhs (31 March 2022 ₹ 14.92 lakhs) 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.



**DLF Homes Panchkula Private Limited**  
**Notes to financial statements for the year ended 31 March 2023**  
*(All amounts in ₹ lakhs, unless otherwise stated)*

Pursuant to IND AS 7, change in financing activity for the year ended 31 March 2023 and 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 year presented.

| Particulars               | 31 March 2023   | 31 March 2022   |
|---------------------------|-----------------|-----------------|
| Cash and cash equivalents | (870.28)        | (665.19)        |
| Less: Current borrowings  | -               | 2,350.00        |
| <b>Net debt</b>           | <b>(870.28)</b> | <b>1,684.81</b> |

**Changes in liabilities arising from financing activities:**

| Net debt as at 31 March 2023        | 1 April 2022    | Cash flow  | Other non cash movement | 31 March 2023   |
|-------------------------------------|-----------------|------------|-------------------------|-----------------|
| <b>Particulars</b>                  |                 |            |                         |                 |
| Current Borrowings                  | 2,350.00        | (2,350.00) |                         | -               |
| <b>Total Borrowings</b>             | <b>2,350.00</b> |            |                         | <b>-</b>        |
| <b>Less:</b>                        |                 |            |                         |                 |
| Cash and cash equivalent            | 665.19          | 205.09     |                         | 870.28          |
| <b>Net cash and cash equivalent</b> | <b>665.19</b>   |            |                         | <b>870.28</b>   |
| <b>Net debt</b>                     | <b>1,684.81</b> | <b>-</b>   | <b>-</b>                | <b>(870.28)</b> |

**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   |
|-------------------------------------|-----------------|-----------------|-------------------------|-----------------|
| <b>Particulars</b>                  |                 |                 |                         |                 |
| Current Borrowings                  | -               | 2,350.00        |                         | 2,350.00        |
| <b>Total Borrowings</b>             | <b>-</b>        | <b>2,350.00</b> | <b>-</b>                | <b>2,350.00</b> |
| <b>Less:</b>                        |                 |                 |                         |                 |
| Cash and cash equivalent            | 335.55          | 329.64          | -                       | 665.19          |
| <b>Net cash and cash equivalent</b> | <b>335.55</b>   | <b>329.64</b>   | <b>-</b>                | <b>665.19</b>   |
| <b>Net debt</b>                     | <b>(335.55)</b> | <b>2,020.36</b> | <b>-</b>                | <b>1,684.81</b> |

**11. Other bank balance**

|   | 31 March 2023    | 31 March 2022   |
|---|------------------|-----------------|
| Fixed deposits with maturity of more than three months but less than twelve months# | 13,128.64        | 1,649.41        |
|   | <b>13,128.64</b> | <b>1,649.41</b> |

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 ₹ 12,528.77 lakhs (31 March 2022 ₹161.09 lakhs ) 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.

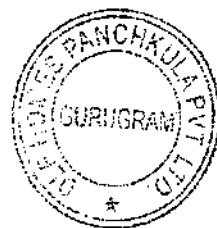
**12. Loans (Current)**

(Unsecured, considered good unless otherwise stated)

|   | 31 March 2023    | 31 March 2022   |
|---|------------------|-----------------|
| Loans to related parties (refer note no 31) | 4,631.17         | -               |
| Loan to employees                           | 1.20             | 1.20            |
| Loan to other parties^                      | 6,245.34         | 5,651.35        |
|   | <b>10,877.71</b> | <b>5,652.55</b> |

^ During the previous 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. (31 March 2022: 12% p.a.) repayable within 12 months from date demanded. The said loans generate fixed interest income for the Company. The carrying value may be affected by change in credit risk of the party. The Company expects to recover loan along with interest within one year.



**DLF Homes Panchkula Private Limited**  
**Notes to financial statements for the year ended 31 March 2023**  
*(All amounts in ₹ lakhs, unless otherwise stated)*

**13. Other assets**

(Unsecured considered good unless stated otherwise)

|  | Non-current   |               | Current       |               |
|--|---------------|---------------|---------------|---------------|
|  | 31 March 2023 | 31 March 2022 | 31 March 2023 | 31 March 2022 |
| Capital advance                                | -             | 3.88          | -             | -             |
| <b>Advances recoverable in cash and kind</b>   |               |               |               |               |
| -Due from related parties (refer note 31)      |               |               |               |               |
| Considered good                                |               |               | 784.27        |               |
| -Due from other than related parties           |               |               |               |               |
| Considered good                                | -             | -             | 2,998.30      | 884.27        |
| Credit impaired                                | -             | -             | 53.51         | 20.58         |
| <b>Others</b>                                  |               |               |               |               |
| Balances with statutory/government authorities |               |               |               |               |
| Considered good                                | -             | -             | -             | -             |
| Credit impaired                                | -             | -             | 23.25         | 53.72         |
| Prepaid expenses                               | -             | -             | 1,528.71      | 9.58          |
| Earmarked deposits*                            | -             | -             | 1,140.70      | 1,207.08      |
|  | -             | 3.88          | 6,528.74      | 2,175.23      |
| Allowance for expected credit loss             | -             | -             | (76.76)       | (74.30)       |
|  | -             | 3.88          | 6,451.98      | 2,100.93      |

\*₹ 1,140.70 lakhs (31 March 2022 : ₹ 1,207.08 lakhs ) 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.

**14. Share capital**

|  | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| <b>Authorised share capital</b>                                |               |               |
| 1,062,500 (31 March 2022: 62,500) equity shares of ₹ 10 each   | 106.25        | 6.25          |
| 50,750 (31 March 2022: 50,750) preference shares of ₹ 100 each | 50.75         | 50.75         |
|  | <b>157.00</b> | <b>57.00</b>  |
| <b>Issued, subscribed and fully paid up share capital</b>      |               |               |
| 1,062,385 (31 March 2022: 62,385) equity shares of ₹ 10 each   | 106.24        | 6.24          |
|  | <b>106.24</b> | <b>6.24</b>   |

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

**i) Authorised shares**

|                                      | 31 March 2023 |        | 31 March 2022 |        |
|--------------------------------------|---------------|--------|---------------|--------|
|                                      | No. of Shares | Amount | No. of Shares | Amount |
| Balance at the beginning of the year | 62,500        | 6.25   | 62,500        | 6.25   |
| Increase/ decrease during the year   | 1,000,000     | 100.00 | -             | -      |
| Balance at the end of the year       | 1,062,500     | 106.25 | 62,500        | 6.25   |

**ii) Issued/Paid-up shares**

|  |           |        |        |      |
|--|-----------|--------|--------|------|
| Balance at the beginning of the year                   | 62,385    | 6.24   | 62,385 | 6.24 |
| Increased/decreased during the year (Refer Note No 15) | 1,000,000 | 100.00 | -      | -    |
| Equity share at the end of the year                    | 1,062,385 | 106.24 | 62,385 | 6.24 |

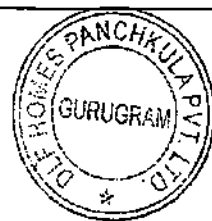
**b) Reconciliation of preference shares outstanding at the beginning and at the end of the year**

**i) Authorised shares**

|                                      | 31 March 2023 |        | 31 March 2022 |        |
|--------------------------------------|---------------|--------|---------------|--------|
|                                      | No. of Shares | Amount | No. of Shares | Amount |
| Balance at the beginning of the year | 50,750        | 50.75  | 50,750        | 50.75  |
| Increase/ decrease during the year   | -             | -      | -             | -      |
| Balance at the end of the year       | 50,750        | 50.75  | 50,750        | 50.75  |

**ii) Issued/Paid-up shares**

|   |   |   |   |   |
|---|---|---|---|---|
| Balance at the beginning of the year    | - | - | - | - |
| Increased/decreased during the year     | - | - | - | - |
| Preference share at the end of the year | - | - | - | - |



**DLF Homes Panchkula Private Limited**  
**Notes to financial statements for the year ended 31 March 2023**  
*(All amounts in ₹ lakhs, unless otherwise stated)*

**c. 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.

**d. 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 2023 |            | 31 March 2022 |            |
|------------------------------|---------------|------------|---------------|------------|
|                              | Number        | ₹ in lakhs | Number        | ₹ in lakhs |
| DLF Homes Developers Limited | 1,061,761     | 106.18     | 61,761        | 6.18       |

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

| Name of Shareholder          | 31 March 2023 |              | 31 March 2022 |              |
|------------------------------|---------------|--------------|---------------|--------------|
|                              | Number        | % of Holding | Number        | % of Holding |
| DLF Homes Developers Limited | 1,061,761     | 99.94%       | 61,761        | 99.00%       |

**f. Shares held by promoters at the end of the year**

| Name of promoters            | 31 March 2023 |              | 31 March 2022 |              | % Change during the year |
|------------------------------|---------------|--------------|---------------|--------------|--------------------------|
|                              | Number        | % of Holding | Number        | % of Holding |                          |
| DLF Homes Developers Limited | 1,061,761     | 99.94%       | 61,761        | 99.00%       | 0.94%                    |

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

During the year, the Company has converted its 1,000,000 optionally convertible debentures (OCDs) into 1,000,000 fully paid up equity shares of ₹ 10 each through board resolution dated 26 May 2022.

**15. Other Equity**

|  | 31 March 2023    | 31 March 2022    |
|--|------------------|------------------|
| <b>Reserves and surplus</b>                                  |                  |                  |
| Securities Premium   | 25,119.53        | 25,119.53        |
| Retained earnings  | (50,350.46)      | (55,512.86)      |
| Equity component of optionally convertible debentures (OCDs) | 65,092.70        | 65,192.70        |
|  | <b>39,861.77</b> | <b>34,799.37</b> |

**Movement as per below :-**

|   |                    |                    |
|---|--------------------|--------------------|
| <b>Securities premium</b>   | <b>25,119.53</b>   | <b>25,119.53</b>   |
| <b>Retained earnings</b>  |                    |                    |
| Statement of profit and loss  |                    |                    |
| As per last balance sheet   | (55,512.86)        | (59,188.51)        |
| Net Profit for the year   | 5,161.42           | 3,675.02           |
| Other Comprehensive Income  | 0.98               | 0.63               |
| Net deficit in statement of profit and loss                           | <b>(50,350.46)</b> | <b>(55,512.86)</b> |
| <b>Equity component of compulsorily convertible debentures (CCDs)</b> |                    |                    |
| As per last balance sheet   | -                  | 80,692.70          |
| Add: Issue of compulsorily convertible debentures (CCDs)              | -                  | -                  |
| Less: Conversion of CCDs in to OCDs                                   | -                  | (80,692.70)        |
|   | <b>-</b>           | <b>-</b>           |
| <b>Equity component of optionally convertible debentures (OCDs)</b>   |                    |                    |
| As per last balance sheet   | 65,192.70          | -                  |
| Add: Conversion of CCDs to OCDs                                       | -                  | 80,692.70          |
| Less: Redemption of optionally convertible debentures (OCDs)          | -                  | (15,500.00)        |
| Less: Conversion of OCD's to equity share                             | (100.00)           | -                  |
|   | <b>65,092.70</b>   | <b>65,192.70</b>   |



**Nature & Purpose of reserves**

**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 year 2020-21, 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 previous 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.

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.

Further, during previous year, the Company has redeemed 155,000,000 OCDs amounting to ₹ 15,500.00 lakhs through board resolution 28 January 2022.

During the year, the Company has converted 1,000,000 OCDs into 1,000,000 fully paid up Equity Shares of ₹ 10 each through board resolution dated 26 May 2022.

**16. Provisions**

**Provision for employee benefits**

Gratuity (refer note 33)

Compensated absences

|                          | Non-current   |               | Current       |               |
|--------------------------|---------------|---------------|---------------|---------------|
|                          | 31 March 2023 | 31 March 2022 | 31 March 2023 | 31 March 2022 |
| Gratuity (refer note 33) | 18.63         | 16.00         | 0.40          | 0.32          |
| Compensated absences     | -             | -             | 0.03          | 0.02          |
|                          | <b>18.63</b>  | <b>16.00</b>  | <b>0.43</b>   | <b>0.34</b>   |

**17. Borrowings**

**Current (Unsecured)**

Loan from related parties (refer note 31)

|   | 31 March 2023 | 31 March 2022   |
|---|---------------|-----------------|
| Loan from related parties (refer note 31) | -             | 2,350.00        |
|   | <b>-</b>      | <b>2,350.00</b> |

**18. Trade payable**

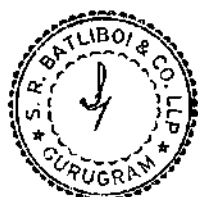
Due to micro and small enterprises (refer note 32)

Due to other than micro and small enterprises

Due to related parties (refer note 31)

Due to others

|  | 31 March 2023   | 31 March 2022 |
|--|-----------------|---------------|
| Due to micro and small enterprises (refer note 32) | 465.53          | 24.08         |
| Due to other than micro and small enterprises      |                 |               |
| Due to related parties (refer note 31)             | 0.44            | 1.14          |
| Due to others                                      | 2,240.20        | 427.93        |
|  | <b>2,706.17</b> | <b>453.15</b> |



**DLF Homes Panchkula Private Limited**  
**Notes to financial statements for the year ended 31 March 2023**  
*(All amounts in ₹ lakhs, unless otherwise stated)*

**Trade payable ageing schedule as at 31 March 2023**

| Particulars  | Not due       | Outstanding for following period from date of booking |              |              |                   | Total           |
|--|---------------|---|--------------|--------------|-------------------|-----------------|
|  |               | Less than 1 years                                     | 1-2 years    | 2-3 years    | More than 3 years |                 |
| <b>Undisputed*</b>                                   |               |   |              |              |                   |                 |
| Due to micro and small enterprises (refer note 32)** |               | 461.84  | 0.12         | 3.57         |                   | 465.53          |
| Due to other than micro and small enterprises        |               |   |              |              |                   |                 |
| Due to related parties (refer note 31)               |               | 0.44  |              |              |                   | 0.44            |
| Due to others  | 785.81        | 1,279.98  | 55.94        | 49.65        | 68.82             | 2,240.20        |
| <b>Disputed</b>                                      |               |   |              |              |                   |                 |
| 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  | -             | -   | -            | -            | -                 | -               |
| <b>Total</b>   | <b>785.81</b> | <b>1,742.26</b>                                       | <b>56.06</b> | <b>53.22</b> | <b>68.82</b>      | <b>2,706.17</b> |

**Trade payable ageing schedule as at 31 March 2022**

| Particulars  | Not due      | Outstanding for following period from date of booking |              |             |                   | Total         |
|--|--------------|---|--------------|-------------|-------------------|---------------|
|  |              | Less than 1 years                                     | 1-2 years    | 2-3 years   | More than 3 years |               |
| <b>Undisputed*</b>                                   |              |   |              |             |                   |               |
| 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        |
| <b>Disputed</b>                                      |              |   |              |             |                   |               |
| 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  | -            | -   | -            | -           | -                 | -             |
| <b>Total</b>   | <b>97.15</b> | <b>186.82</b>   | <b>96.70</b> | <b>8.07</b> | <b>64.41</b>      | <b>453.15</b> |

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

\*\* In respect of total outstanding dues of micro enterprises and small enterprises beyond the period of 45 days from the due date and also as mentioned in the form MSME-1 filed by the Company with Registrar of Companies, there has been delay in payment to these MSME vendors due to non-submission of requisite documents by the respective vendors, which has been acknowledged by the vendors. Hence, the Company has been unable to process their payments and the delay is not attributable to the Company.

**19. Other financial liabilities\***

|  | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| Interest accrued on CCDs/OCDs (refer note 31)              | 5.86          | 5.87          |
| Interest accrued but not due on borrowings (refer note 31) | 5.87          | 56.46         |
| Security deposit   | 393.77        | 374.40        |
| Registration charges payable                               | 3.75          | -             |
| Creditors for capital good                                 | 10.90         | 25.08         |
|  | <b>420.15</b> | <b>461.81</b> |

\* carrying amount of these financial liabilities are reasonably approximate to their fair value

**20. Other current liabilities**

|                                | 31 March 2023    | 31 March 2022    |
|--------------------------------|------------------|------------------|
| Contract liability             | 38,713.68        | 18,215.20        |
| Payable for cost of completion | 48.20            | 487.04           |
| Statutory dues                 | 292.15           | 30.48            |
| Revenue received in advance    | 379.55           | 293.70           |
|                                | <b>39,433.58</b> | <b>19,026.42</b> |





**DLF Homes Panchkula Private Limited**  
**Notes to financial statements for the year ended 31 March 2023**  
*(All amounts in ₹ lakhs, unless otherwise stated)*

| <b>21. Revenue from operations</b>                | <b>31 March 2023</b> | <b>31 March 2022</b> |
|---|----------------------|----------------------|
| Revenue from contract with customers*             | 11,873.48            | 12,385.56            |
| Recreational facility income (Club)*              | 466.26               | 494.78               |
| Other operating income                            |                      |                      |
| Forfeiture income*                                | 34.57                | 41.87                |
| Service charges received from customers*          | 105.01               | 110.50               |
| <b>Total</b>                                      | <b>12,479.32</b>     | <b>13,032.71</b>     |
| <b>*Timing of revenue recognition</b>             |                      |                      |
| Revenue recognition at a point of time            | 12,226.56            | 12,797.41            |
| Revenue recognition over period of time           | 252.76               | 235.30               |
| <b>Total revenue from contracts with contract</b> | <b>12,479.32</b>     | <b>13,032.71</b>     |

**Contract balances**

|  |           |           |
|--|-----------|-----------|
| Trade receivables (refer note 9) @     | 2.94      | 4.26      |
| Contract assets ^                      | -         | -         |
| Contract liabilities (refer note 20) # | 38,713.68 | 18,215.20 |

@ Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. As on 31 March 2023 ₹ 120.27 lakhs (31 March 2022 ₹ 153.20 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:

| <b>Movement of contract liability</b>                                  | <b>31 March 2023</b> | <b>31 March 2022</b> |
|--|----------------------|----------------------|
| Amounts included in contract liabilities at the beginning of the year  | 18,215.20            | 17,083.79            |
| Amount received/adjusted against contract liability during the year    | 32,371.96            | 13,516.97            |
| Performance obligations satisfied in current year \$                   | (11,873.48)          | (12,385.56)          |
| <b>Amounts included in contract liabilities at the end of the year</b> | <b>38,713.68</b>     | <b>18,215.20</b>     |

\$ includes ₹ 9,649.92 lakhs (31 March 2022 : ₹ 6,531.00 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  | 12,968.76        | 14,006.56        |
| Adjustments                      |                  |                  |
| Other adjustments (rebates etc.) | (489.44)         | (973.85)         |
|                                  | <b>12,479.32</b> | <b>13,032.71</b> |

**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 2023 is ₹ 135,009.41 lakhs (31 March 2022 ₹ 29,588.37 lakhs). The same is expected to be recognised in 1 to 3 years



**DLF Homes Panchkula Private Limited**  
**Notes to financial statements for the year ended 31 March 2023**  
*(All amounts in ₹ lakhs, unless otherwise stated)*

| <b>22. Other income</b>  | <b>31 March 2023</b> | <b>31 March 2022</b> |
|--|----------------------|----------------------|
| Unclaimed balances/excess provision written back                             | 115.06               | 87.64                |
| Interest on  |                      |                      |
| Customer balances  | 159.14               | 25.48                |
| Bank deposits  | 269.54               | 44.11                |
| Income tax refund  | 9.55                 | -                    |
| Loans  | 694.68               | 168.16               |
| Miscellaneous income   | -                    | 9.30                 |
|  | <b>1,247.97</b>      | <b>334.69</b>        |
| <b>23. Cost of land, plots, constructed properties and others</b>            | <b>31 March 2023</b> | <b>31 March 2022</b> |
| Cost of land, plots, constructed properties and other development activities | 8,277.21             | 9,033.21             |
| Cost of recreational facility (Club)   | 313.97               | 247.02               |
|  | <b>8,591.18</b>      | <b>9,280.23</b>      |
| <b>24. Employee benefits expense</b>   | <b>31 March 2023</b> | <b>31 March 2022</b> |
| Salaries, wages and bonus  | 101.62               | 107.67               |
| Contribution to provident and other funds                                    | 4.04                 | 3.74                 |
| Gratuity expense (refer note 33)   | 2.80                 | 3.01                 |
| Staff welfare  | 1.04                 | 5.21                 |
|  | <b>109.50</b>        | <b>119.63</b>        |
| <b>25. Finance cost</b>  | <b>31 March 2023</b> | <b>31 March 2022</b> |
| Interest on  |                      |                      |
| Loan from related parties (refer note 31)                                    | 91.84                | 62.73                |
| Interest on compulsory convertible debentures (refer note 15)                | 6.52                 | 7.80                 |
| Others   | 1.18                 | -                    |
| Bank charges   | 6.86                 | 3.34                 |
|  | <b>106.40</b>        | <b>73.87</b>         |
| <b>26. Depreciation and amortisation expense</b>                             | <b>31 March 2023</b> | <b>31 March 2022</b> |
| Depreciation on property, plant and equipment                                | 130.24               | 147.05               |
| Amortisation of intangible assets  | 1.04                 | 2.08                 |
|  | <b>131.28</b>        | <b>149.13</b>        |
| <b>27. Other expenses</b>  | <b>31 March 2023</b> | <b>31 March 2022</b> |
| Rates and taxes  | 11.64                | 36.75                |
| Commission and brokerage   | 128.95               | 400.22               |
| Legal and professional expenses @  | 381.43               | 185.25               |
| Director sitting fee   | 1.80                 | -                    |
| Insurance  | 3.49                 | -                    |
| Business promotion   | 2,291.67             | 159.32               |
| Communication expenses   | 10.41                | 6.54                 |
| Electricity expenses   | 31.97                | 24.36                |
| Travelling and conveyance  | 4.27                 | 3.13                 |
| Repair and maintenance   |                      |                      |
| Constructed properties/colonies  | 427.33               | 271.45               |
| Computers  | 5.71                 | 9.63                 |
| Printing and stationery  | 4.31                 | 9.11                 |
| Security expenses  | 27.24                | 22.63                |
| Allowance for doubtful debt and advances                                     | 5.35                 | 104.98               |
| Corporate Social Responsibility (CSR) (refer note 38(a))                     | 23.39                | -                    |
| Compensation for cancellation of properties                                  | -                    | 31.23                |
| Miscellaneous expenses   | 1.03                 | 0.92                 |
|  | <b>3,359.99</b>      | <b>1,265.52</b>      |



**DLF Homes Panchkula Private Limited**  
**Notes to financial statements for the year ended 31 March 2023**  
*(All amounts in ₹ lakhs, unless otherwise stated)*

|                                  | 31 March 2023 | 31 March 2022 |
|----------------------------------|---------------|---------------|
| <b>@ Payment to auditors</b>     |               |               |
| - Audit fees                     | 7.40          | 7.40          |
| - Tax audit fees                 | 1.00          | 1.00          |
| - Limited reviews                | 6.30          | 6.30          |
| - Other services                 | 3.00          | -             |
| Out of pocket expenses and taxes | 5.63          | 1.10          |
|                                  | <b>23.33</b>  | <b>15.80</b>  |

**28. Tax expense**

|  | 31 March 2023     | 31 March 2022     |
|--|-------------------|-------------------|
| <b>(a) Tax expense reported in the statement of profit or loss</b> |                   |                   |
| Current tax  | -                 | -                 |
| Deferred tax   | (3,732.48)        | (1,196.00)        |
| <b>Tax expense reported in statement of profit and loss</b>        | <b>(3,732.48)</b> | <b>(1,196.00)</b> |

**(b) Statement of other comprehensive income OCI**

Deferred tax related to items recognised in OCI during the year  
Remeasurement gain on defined benefit plans

|  |               |               |
|--|---------------|---------------|
|  | (0.33)        | (0.21)        |
|  | <b>(0.33)</b> | <b>(0.21)</b> |

**(c) Reconciliation of tax expense and the accounting profit multiplied by statutory income tax rate for the year indicated are as follows:**

|  | 31 March 2023     | 31 March 2022     |
|--|-------------------|-------------------|
| Accounting profit before tax   | 1,428.94          | 2,479.02          |
| Statutory income tax rate of 25.168% (31 March 2022: 25.168%)                                  | 359.64            | 623.92            |
| <b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b> |                   |                   |
| Tax impact of allowance for doubtful debt and advances   | (1.35)            | (26.42)           |
| Tax impact of CSR expense  | (5.89)            | -                 |
| Tax impact of losses/(gain) on which deferred tax assets not created                           | (352.40)          | (597.50)          |
| Tax impact of losses of earlier years on which deferred tax assets created                     | (3,732.48)        | (1,196.00)        |
|  | <b>(3,732.48)</b> | <b>(1,196.00)</b> |

**29. Earnings per equity share**

Earning per share (EPS) is determined based on the net profit/loss attributable to shareholders of the company. Basic earning per share is computed using the weighted average number of equity shares and compulsorily/optionally convertible debentures outstanding during the year.

Diluted earning 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 2023 | 31 March 2022 |
|--|---------------|---------------|
| <b>Net profit attributable to equity shareholders</b>  | 5,161.42      | 3,675.02      |
| Nominal value of equity shares (₹)   | 10            | 10            |
| Weighted average number of equity shares (Face value of ₹10 each) for the calculation of Basic EPS | 1,062,385     | 669,922,333   |
| <b>Basic (EPS) (₹)</b>   | <b>485.83</b> | <b>0.55</b>   |

**Calculation of weighted average number of equity shares for Basic EPS:**

|  |                  |                    |
|--|------------------|--------------------|
| Weighted average number of equity shares | 1,062,385        | 62,385             |
| Weighted average number of CCDs          | -                | 669,859,948        |
|  | <b>1,062,385</b> | <b>669,922,333</b> |

|  |             |             |
|--|-------------|-------------|
| Weighted average number of equity shares (Face value of ₹10 each) for the calculation of Diluted EPS | 652,049,859 | 780,660,618 |
|--|-------------|-------------|

|                           |             |             |
|---------------------------|-------------|-------------|
| <b>Diluted (EPS) (₹)*</b> | <b>0.79</b> | <b>0.47</b> |
|---------------------------|-------------|-------------|

**Calculation of weighted average number of equity shares for Diluted EPS:**

|  |                    |                    |
|--|--------------------|--------------------|
| Weighted average number of equity shares | 1,062,385          | 62,385             |
| Weighted average number of CCDs          | -                  | 669,859,948        |
| Weighted average number of OCDs          | 650,987,474        | 110,738,285        |
|  | <b>652,049,859</b> | <b>780,660,618</b> |



**DLF Homes Panchkula Private Limited**
**Notes to financial statements for the year ended 31 March 2023**
**(All amounts in ₹ lakhs, unless otherwise stated)**
**30. The ratios for the year ended 31 March 2023 and 31 March 2022 are as follows:**

| S no. | Ratio                                      | Numerator  | Denominator  | 31 March 2023 | 31 March 2022 | % Variance | Remarks for variance more than 25%  |
|-------|--|--|--|---------------|---------------|------------|---|
| (a)   | Current ratio (in times)                   | Current assets   | Current liabilities  | 1.78          | 2.42          | -26.57%    | Increase in contract liability  |
| (b)   | Debt-equity ratio (in times)               | Total debt   | Total equity   | -             | 0.07          | -100.00%   | Debt fully repaid during current year.  |
| (c)   | Debt service coverage ratio (in times)     | Earnings before exceptional items, interest and tax (EBIT) | [Finance cost + principal repayments made during the period for non-current borrowings (including current maturities)] | 14.43         | 34.56         | -58.25%    | Movement in ratio due to decrease in EBIT   |
| (d)   | Return on equity ratio (%)                 | Net profit after tax                                       | Total equity   | 12.91%        | 10.56%        | 22.31%     | Not applicable  |
| (e)   | Inventory turnover ratio (in times)        | Cost of land, plots, constructed properties and others     | Average inventory  | 0.19          | 0.17          | 12.53%     | Not applicable  |
| (f)   | Trade receivable turnover ratio (in times) | Revenue from operations                                    | Average trade receivable   | 2,310.99      | 352.71        | 555.20%    | Movement in ratio due to decrease in 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 \$   | 0.38          | 0.41          | -8.41%     | Not applicable  |
| (i)   | Net profit ratio (%)                       | Profit after tax   | Revenue from operations  | 41.36%        | 28.20%        | 46.67%     | Movement in ratio due to creation of deferred tax assets on carried forward business losses |
| (j)   | Return on capital employed (%)             | Earnings before interest and taxes (EBIT)                  | Capital employed @   | 3.84%         | 7.33%         | -47.63%    | Movement in ratio due to decrease in EBIT due to new project launch expense                 |
| (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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**31. Related party disclosures**

**a) Ultimate Holding Company**

Rajdhani Investments & Agencies Private Limited

**b) Intermediate Holding Company**

DLF Limited

**c) Holding Company**

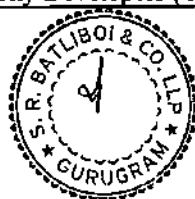
DLF Home Developers Limited

**d) Name of fellow subsidiaries with whom there were transactions during the year/ balances outstanding at the year end:**

|   |
|---|
| DLF Utilities Limited (Real estate undertaking merged with DLF Limited vide order dated 2 February 2022)  |
| DLF Real Estate Builders Limited (merged with DLF Limited vide order dated 2 February 2022)               |
| DLF Commercial Developers Limited (Merged with DLF Home Developers Limited vide order dated 30 June 2022) |
| DLF Universal Limited   |
| DLF Luxury Homes Limited  |
| Urvasi Infratech Private Limited  |
| DLF Recreational Foundation Limited   |
| DLF Golf Resorts Limited  |
| DLF Home Services Private Limited   |
| DLF Residential Partners Limited  |
| Blanca Builders and Developers Private Limited  |
| Damalis Builders and Developers Private Limited   |

**e) Name of joint ventures of holding company with whom there are transactions during the year/ balances outstanding as at year end:**

|  |
|--|
| DLF Cyber City Developers Limited            |
| DLF Land India Private Limited               |
| DLF City Centre Limited                      |
| DLF Properties Developers Limited            |
| DLF Infocity Developers (Chandigarh) Limited |



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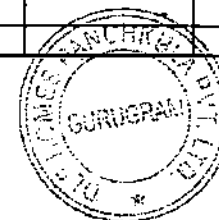
**DLF Homes Panchkula Private Limited**

Notes to financial statements for the year ended 31 March 2023

(All amounts in ₹ lakhs, unless otherwise stated)

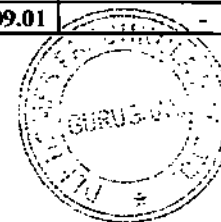
**f) Transactions with related parties during the year:**

|   | Holding Company |                  | Enterprises having influence over Holding Company |               | Fellow subsidiary and Joint venture of intermediate Holding Company |                 | Total           |                  |
|---|-----------------|------------------|---|---------------|---|-----------------|-----------------|------------------|
|   | 31 March 2023   | 31 March 2022    | 31 March 2023                                     | 31 March 2022 | 31 March 2023   | 31 March 2022   | 31 March 2023   | 31 March 2022    |
| <b>Loans taken</b>  |                 |                  |   |               |   |                 |                 |                  |
| - DLF Commercial Developers Limited (Merged with DLF Home Developers Limited) | -               | -                | -   | -             | -   | 3,800.00        | -               | 3,800.00         |
| - DLF Home Developers Limited   | 798.00          | -                | -   | -             | -   | -               | 798.00          | -                |
| <b>Total</b>  | <b>798.00</b>   | <b>-</b>         | <b>-</b>  | <b>-</b>      | <b>-</b>  | <b>-</b>        | <b>798.00</b>   | <b>3,800.00</b>  |
| <b>Loans repaid/adjusted</b>  |                 |                  |   |               |   |                 |                 |                  |
| - DLF Commercial Developers Limited (Merged with DLF Home Developers Limited) | -               | -                | -   | -             | 1,036.00  | 1,450.00        | 1,036.00        | 1,450.00         |
| - DLF Home Developers Limited   | 2,112.00        | -                | -   | -             | -   | -               | 2,112.00        | -                |
| <b>Total</b>  | <b>2,112.00</b> | <b>-</b>         | <b>-</b>  | <b>-</b>      | <b>1,036.00</b>   | <b>1,450.00</b> | <b>3,148.00</b> | <b>1,450.00</b>  |
| <b>Loans given</b>  |                 |                  |   |               |   |                 |                 |                  |
| - DLF Luxury Limited  | -               | -                | -   | -             | 2,500.00  | -               | 2,500.00        | -                |
| - Urvasi Infotech Private Limited   | -               | -                | -   | -             | 2,200.00  | -               | 2,200.00        | -                |
| <b>Total</b>  | <b>-</b>        | <b>-</b>         | <b>-</b>  | <b>-</b>      | <b>4,700.00</b>   | <b>-</b>        | <b>4,700.00</b> | <b>-</b>         |
| <b>Loans received back</b>  |                 |                  |   |               |   |                 |                 |                  |
| - DLF Luxury Limited  | -               | -                | -   | -             | 100.00  | -               | 100.00          | -                |
| <b>Total</b>  | <b>-</b>        | <b>-</b>         | <b>-</b>  | <b>-</b>      | <b>100.00</b>   | <b>-</b>        | <b>100.00</b>   | <b>-</b>         |
| <b>Interest income</b>  |                 |                  |   |               |   |                 |                 |                  |
| - DLF Luxury Limited  | -               | -                | -   | -             | 33.60   | -               | 33.60           | -                |
| - Urvasi Infotech Private Limited   | -               | -                | -   | -             | 1.02  | -               | 1.02            | -                |
| <b>Total</b>  | <b>-</b>        | <b>-</b>         | <b>-</b>  | <b>-</b>      | <b>34.63</b>  | <b>-</b>        | <b>34.63</b>    | <b>-</b>         |
| <b>Conversion of CCDs in to OCDs (refer note 15)</b>                          |                 |                  |   |               |   |                 |                 |                  |
| - DLF Home Developers Limited   | -               | 80,692.70        | -   | -             | -   | -               | -               | 80,692.70        |
| <b>Total</b>  | <b>-</b>        | <b>80,692.70</b> | <b>-</b>  | <b>-</b>      | <b>-</b>  | <b>-</b>        | <b>-</b>        | <b>80,692.70</b> |
| <b>Redemption of optionally convertible debentures (refer note 15)</b>        |                 |                  |   |               |   |                 |                 |                  |
| - DLF Home Developers Limited   | -               | 15,500.00        | -   | -             | -   | -               | -               | 15,500.00        |
| <b>Total</b>  | <b>-</b>        | <b>15,500.00</b> | <b>-</b>  | <b>-</b>      | <b>-</b>  | <b>-</b>        | <b>-</b>        | <b>15,500.00</b> |
| <b>Conversion of optionally convertible debentures (refer note 15)</b>        |                 |                  |   |               |   |                 |                 |                  |
| - DLF Home Developers Limited   | 100.00          | -                | -   | -             | -   | -               | 100.00          | -                |
| <b>Total</b>  | <b>100.00</b>   | <b>-</b>         | <b>-</b>  | <b>-</b>      | <b>-</b>  | <b>-</b>        | <b>100.00</b>   | <b>-</b>         |
| <b>Interest on compulsorily /optionally convertible debenture</b>             |                 |                  |   |               |   |                 |                 |                  |
| - DLF Home Developers Limited   | 6.52            | 7.80             | -   | -             | -   | -               | 6.52            | 7.80             |
| <b>Total</b>  | <b>6.52</b>     | <b>7.80</b>      | <b>-</b>  | <b>-</b>      | <b>-</b>  | <b>-</b>        | <b>6.52</b>     | <b>7.80</b>      |



**DLF Homes Panchkula Private Limited**
**Notes to financial statements for the year ended 31 March 2023**
*(All amounts in ₹ lakhs, unless otherwise stated)*

|   | Holding Company |               | Enterprises having influence over Holding Company |               | Fellow subsidiary and Joint venture of intermediate Holding Company |                 | Total         |                 |
|---|-----------------|---------------|---|---------------|---|-----------------|---------------|-----------------|
|   | 31 March 2023   | 31 March 2022 | 31 March 2023                                     | 31 March 2022 | 31 March 2023   | 31 March 2022   | 31 March 2023 | 31 March 2022   |
| <b>Interest on unsecured loans</b>  |                 |               |   |               |   |                 |               |                 |
| - DLF Commercial Developers Limited (Merged with DLF Home Developers Limited) | -               | -             | -   | -             | 25.81   | 62.73           | 25.81         | 62.73           |
| - DLF Home Developers Limited   | 66.03           | -             | -   | -             | -   | -               | 66.03         | -               |
| <b>Total</b>  | <b>66.03</b>    | <b>-</b>      | <b>-</b>  | <b>-</b>      | <b>25.81</b>  | <b>62.73</b>    | <b>91.84</b>  | <b>62.73</b>    |
| <b>Security deposit paid</b>  |                 |               |   |               |   |                 |               |                 |
| - DLF Limited   | -               | -             | -   | 50.00         | -   | -               | -             | 50.00           |
| - DLF Home Developers Limited   | -               | 100.00        | -   | -             | -   | -               | -             | 100.00          |
| <b>Total</b>  | <b>-</b>        | <b>100.00</b> | <b>-</b>  | <b>50.00</b>  | <b>-</b>  | <b>-</b>        | <b>-</b>      | <b>150.00</b>   |
| <b>Advance given against development agreement</b>                            |                 |               |   |               |   |                 |               |                 |
| - DLF Limited   | -               | -             | 188.79  | -             | -   | -               | 188.79        | -               |
| - DLF Home Developers Limited   | 307.30          | -             | -   | -             | -   | -               | 307.30        | -               |
| <b>Total</b>  | <b>307.30</b>   | <b>-</b>      | <b>188.79</b>                                     | <b>-</b>      | <b>-</b>  | <b>-</b>        | <b>496.09</b> | <b>-</b>        |
| <b>Business promotion expenses</b>  |                 |               |   |               |   |                 |               |                 |
| - DLF Recreational Foundation Limited   | -               | -             | -   | -             | 41.62   | -               | 41.62         | -               |
| - DLF Golf Resorts Limited  | -               | -             | -   | -             | 1.82  | -               | 1.82          | -               |
| - DLF Home Services Private Limited   | -               | -             | -   | -             | 0.37  | -               | 0.37          | -               |
| - DLF Universal Limited   | -               | -             | -   | -             | 1.20  | -               | 1.20          | -               |
| - DLF Cyber City Developers Limited   | -               | -             | -   | -             | 5.31  | -               | 5.31          | -               |
| - DLF Infocity Developers (Chandigarh) Limited                                | -               | -             | -   | -             | 1.18  | -               | 1.18          | -               |
| - DLF Properties Developers Limited   | -               | -             | -   | -             | 1.52  | -               | 1.52          | -               |
| <b>Total</b>  | <b>-</b>        | <b>-</b>      | <b>-</b>  | <b>-</b>      | <b>53.02</b>  | <b>-</b>        | <b>53.02</b>  | <b>-</b>        |
| <b>Expenses incurred by</b>   |                 |               |   |               |   |                 |               |                 |
| - 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 and Developers Private Limited                             | -               | -             | -   | -             | -   | 492.63          | -             | 492.63          |
| <b>Total</b>  | <b>-</b>        | <b>1.14</b>   | <b>-</b>  | <b>-</b>      | <b>-</b>  | <b>2,809.01</b> | <b>-</b>      | <b>2,810.15</b> |



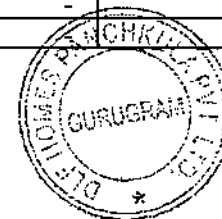
**DLF Homes Panchkula Private Limited**
**Notes to financial statements for the year ended 31 March 2023**
*(All amounts in ₹ lakhs, unless otherwise stated)*

|  | Holding Company |               | Enterprises having influence over Holding company |                  | Fellow subsidiary and Joint venture of intermediate Holding company |                  | Total             |                  |
|--|-----------------|---------------|---|------------------|---|------------------|-------------------|------------------|
|  | 31 March 2023   | 31 March 2022 | 31 March 2023                                     | 31 March 2022    | 31 March 2023   | 31 March 2022    | 31 March 2023     | 31 March 2022    |
| <b>Expenses recovered from</b>               |                 |               |   |                  |   |                  |                   |                  |
| - DLF Cyber City Developers Limited          | -               | -             | -   | -                | -   | 8,869.72         | -                 | 8,869.72         |
| - DLF Land India Private Limited             | -               | -             | -   | -                | -   | 930.00           | -                 | 930.00           |
| - DLF Limited                                | -               | -             | 286.95  | -                | -   | 930.00           | 286.95            | 930.00           |
| - DLF City Centre Limited                    | -               | -             | -   | -                | -   | 5,709.00         | -                 | 5,709.00         |
| <b>Total</b>                                 | -               | -             | <b>286.95</b>                                     | -                | -   | <b>16,438.72</b> | <b>286.95</b>     | <b>16,438.72</b> |
| <b>Reimbursement of expenses incurred by</b> |                 |               |   |                  |   |                  |                   |                  |
| - DLF Limited                                | -               | -             | 7.13  | 20.32            | -   | -                | 7.13              | 20.32            |
| <b>Total</b>                                 | -               | -             | <b>7.13</b>                                       | <b>20.32</b>     | -   | -                | <b>7.13</b>       | <b>20.32</b>     |
| <b>Corporate guarantee issued/(released)</b> |                 |               |   |                  |   |                  |                   |                  |
| - DLF Limited (refer note 36 A)              | -               | -             | (8,000.00)  | 12,000.00        | -   | -                | (8,000.00)        | 12,000.00        |
| <b>Total</b>                                 | -               | -             | <b>(8,000.00)</b>                                 | <b>12,000.00</b> | -   | -                | <b>(8,000.00)</b> | <b>12,000.00</b> |

\*Out of ₹ 65,192.70 lakhs, Optionally convertible debentures (OCDs) of ₹ 100 lakhs converted into equity shares during the year.

**g) 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 2023    | 31 March 2022    | 31 March 2023                                     | 31 March 2022 | 31 March 2023   | 31 March 2022   | 31 March 2023    | 31 March 2022    |
| <b>Unsecured loan payable</b>   |                  |                  |   |               |   |                 |                  |                  |
| - DLF Commercial Developers Limited (Merged with DLF Home Developers Limited) | -                | -                | -   | -             | -   | 2,350.00        | -                | 2,350.00         |
| <b>Total</b>  | -                | -                | -   | -             | -   | <b>2,350.00</b> | -                | <b>2,350.00</b>  |
| <b>Interest payable on unsecured loans</b>                                    |                  |                  |   |               |   |                 |                  |                  |
| - DLF Commercial Developers Limited (Merged with DLF Home Developers Limited) | 5.86             | -                | -   | -             | -   | 56.46           | 5.86             | 56.46            |
| <b>Total</b>  | <b>5.86</b>      | -                | -   | -             | -   | <b>56.46</b>    | <b>5.86</b>      | <b>56.46</b>     |
| <b>Interest payable on optionally convertible debenture (OCDs)</b>            |                  |                  |   |               |   |                 |                  |                  |
| - DLF Home Developers Limited   | 5.87             | 5.87             | -   | -             | -   | -               | 5.87             | 5.87             |
| <b>Total</b>  | <b>5.87</b>      | <b>5.87</b>      | -   | -             | -   | -               | <b>5.87</b>      | <b>5.87</b>      |
| <b>Optionally convertible debentures (OCDs) (refer note 15)</b>               |                  |                  |   |               |   |                 |                  |                  |
| - DLF Home Developers Limited   | 65,092.70        | 65,192.70        | -   | -             | -   | -               | 65,092.70        | 65,192.70        |
| <b>Total</b>  | <b>65,092.70</b> | <b>65,192.70</b> | -   | -             | -   | -               | <b>65,092.70</b> | <b>65,192.70</b> |





**DLF Homes Panchkula Private Limited**
**Notes to financial statements for the year ended 31 March 2023**
*(All amounts in ₹ lakhs, unless otherwise stated)*

|                                    | Holding Company |               | Enterprises having influence over Holding company |                  | Fellow subsidiary and Joint venture of intermediate Holding company |               | Total           |                  |
|------------------------------------|-----------------|---------------|---|------------------|---|---------------|-----------------|------------------|
|                                    | 31 March 2023   | 31 March 2022 | 31 March 2023                                     | 31 March 2022    | 31 March 2023   | 31 March 2022 | 31 March 2023   | 31 March 2022    |
| <b>Loans given</b>                 |                 |               |   |                  |   |               |                 |                  |
| - DLF Luxury Limited               | -               | -             | -   | -                | 2,400.00  | -             | 2,400.00        | -                |
| - Urvasi Infratech Private Limited | -               | -             | -   | -                | 2,200.00  | -             | 2,200.00        | -                |
| <b>Total</b>                       | -               | -             | -   | -                | <b>4,600.00</b>   | -             | <b>4,600.00</b> | -                |
| <b>Interest receivable</b>         |                 |               |   |                  |   |               |                 |                  |
| - DLF Luxury Limited               | -               | -             | -   | -                | 30.24   | -             | 30.24           | -                |
| - Urvasi Infratech Private Limited | -               | -             | -   | -                | 0.92  | -             | 0.92            | -                |
| <b>Total</b>                       | -               | -             | -   | -                | <b>31.17</b>  | -             | <b>31.17</b>    | -                |
| <b>Security deposit</b>            |                 |               |   |                  |   |               |                 |                  |
| - DLF Limited                      | -               | -             | 50.00   | 50.00            | -   | -             | 50.00           | 50.00            |
| - DLF Home Developers Limited      | 100.00          | 100.00        | -   | -                | -   | -             | 100.00          | 100.00           |
| <b>Total</b>                       | <b>100.00</b>   | <b>100.00</b> | <b>50.00</b>                                      | <b>50.00</b>     | -   | -             | <b>150.00</b>   | <b>150.00</b>    |
| <b>Advance given</b>               |                 |               |   |                  |   |               |                 |                  |
| - DLF Limited                      | -               | -             | 475.74  | -                | -   | -             | 475.74          | -                |
| - DLF Estates Developers Limited   | -               | -             | 1.23  | -                | -   | -             | 1.23            | -                |
| - DLF Home Developers Limited      | 307.30          | -             | -   | -                | -   | -             | 307.30          | -                |
| <b>Total</b>                       | <b>307.30</b>   | -             | <b>476.97</b>                                     | -                | -   | -             | <b>784.27</b>   | -                |
| <b>Amounts payable</b>             |                 |               |   |                  |   |               |                 |                  |
| - DLF Home Developers Limited      | -               | 1.14          | -   | -                | -   | -             | -               | 1.14             |
| - DLF Universal Limited            | -               | -             | -   | -                | 0.44  | -             | 0.44            | -                |
| <b>Total</b>                       | -               | <b>1.14</b>   | -   | -                | <b>0.44</b>   | -             | <b>0.44</b>     | <b>1.14</b>      |
| <b>Amounts receivable</b>          |                 |               |   |                  |   |               |                 |                  |
| - DLF Limited                      | -               | -             | 3.60  | -                | -   | -             | 3.60            | -                |
| <b>Total</b>                       | -               | -             | <b>3.60</b>                                       | -                | -   | -             | <b>3.60</b>     | -                |
| <b>Corporate guarantee given</b>   |                 |               |   |                  |   |               |                 |                  |
| - DLF Limited                      | -               | -             | 4,000.00  | 12,000.00        | -   | -             | 4,000.00        | 12,000.00        |
| <b>Total</b>                       | -               | -             | <b>4,000.00</b>                                   | <b>12,000.00</b> | -   | -             | <b>4,000.00</b> | <b>12,000.00</b> |

**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 8.50% per annum (31 March 2022 7.50% per annum, which is repayable on demand.
4. The Company has given corporate guarantee to bank in respect of loan take by intermediary Holding company from bank and financial institution.
5. The Company has given loan to related party at interest rate of 8.50% per annum, which is repayable on demand.



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

| Particulars  | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| i) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;   | 465.53        | 24.08         |
| 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 19.57 years (31 March 2022: 20.61 years)

**Risks associated with plan provisions**

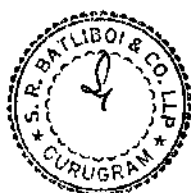
The Company is exposed to number of risks in the defined benefit plans. Most significant risks pertaining to defined benefit plans and management's estimation of the impact if these risks are as follows:

|                      |   |
|----------------------|---|
| 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 2023 | 31 March 2022 |
|--|---------------|---------------|
| Current service cost   | 1.55          | 1.98          |
| Interest cost on benefit obligation                          | 1.25          | 1.03          |
| <b>Amount recognized in the statement of profit and loss</b> | <b>2.80</b>   | <b>3.01</b>   |



**DLF Homes Panchkula Private Limited**  
**Notes to financial statements for the year ended March 31, 2023**  
*(All amounts in ₹ lakhs, unless otherwise stated)*

**Balance sheet**

Details of provision for gratuity

| Particulars                | 31 March 2023 | 31 March 2022 |
|----------------------------|---------------|---------------|
| Defined benefit obligation | 19.03         | 16.32         |
| Fair value of plan assets  | -             | -             |
| Plan asset / (liability)   | (19.03)       | (16.32)       |

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

| Particulars   |  | 31 March 2023 | 31 March 2022 |
|---|--|---------------|---------------|
| Present value of defined benefit obligation as at the start of the year           |  | 16.32         | 14.15         |
| Interest cost   | Charged to statement of profit and loss  | 1.25          | 1.03          |
| Current service cost  |  | 1.55          | 1.98          |
| Benefits paid   |  | -             | -             |
| Actuarial (gains) / losses from changes in financial assumptions                  | Recognised in other comprehensive income | (1.37)        | (1.33)        |
| Experience adjustment loss for plan liabilities                                   |  | 0.06          | 0.49          |
| Liability transferred on account of employee transferred to other companies (net) |  | 1.22          | -             |
| Present value of defined benefit obligation as at the end of the year             |  | 19.03         | 16.32         |
| Current portion of defined benefit obligation                                     |  | 0.40          | 0.32          |
| Non-current portion of defined benefit obligation                                 |  | 18.63         | 16.00         |

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

| Description  | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| Actuarial (gain)/loss on arising from change in financial assumption | (1.37)        | (1.33)        |
| Actuarial (gain)/loss on arising from experience adjustment          | 0.06          | 0.49          |

There are no plan assets as on 31 March 2023 and 31 March 2022 for defined benefit gratuity plan.

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

|                               | 31 March 2023        | 31 March 2022        |
|-------------------------------|----------------------|----------------------|
| Discount rate                 | 7.32%                | 7.37%                |
| Increase in compensation cost | 7.00%                | 7.50%                |
| Mortality                     | IALM 2012-14         | IALM 2012-14         |
| Normal retiring age           | 58/60/62/65/68 years | 58/60/62/65/68 years |



**DLF Homes Panchkula Private Limited**  
**Notes to financial statements for the year ended March 31, 2023**  
*(All amounts in ₹ lakhs, unless otherwise stated)*

**Withdrawal rates: Age related and past experience**

| Age                     | % Withdrawal<br>31 March 2023 | % Withdrawal<br>31 March 2022 |
|-------------------------|-------------------------------|-------------------------------|
| 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 2023 | 31 March 2022 |
|---|---------------|---------------|
| Service cost  | 1.55          | 1.98          |
| Net interest cost   | 1.25          | 1.03          |
| <b>Expected expense for the next annual reporting expense</b> | <b>2.80</b>   | <b>3.01</b>   |

**Maturity Profile of Defined Benefit Obligation – Gratuity:**

| S. No | Year   | 31 March 2023 | 31 March 2022 |
|-------|--|---------------|---------------|
| 1     | Within the next 12 months (next annual reporting period) | 0.41          | 0.33          |
| 2     | Between 1 and 5 years                                    | 2.34          | 1.92          |
| 3     | Between 5 and 10 years                                   | 64.20         | 61.25         |

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 2023 and 31 March 2022 is as shown below:

|                                      | 31 March 2023  |                |                    |                |
|--------------------------------------|----------------|----------------|--------------------|----------------|
| 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 | (1.37)         | 1.51           | 1.52               | (1.40)         |
|                                      | 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)         |

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



**DLF Homes Panchkula Private Limited****Notes to financial statements for the year ended March 31, 2023***(All amounts in ₹ lakhs, unless otherwise stated)*

34. The Board of Directors of the Company vide its resolution dated 21 March 2022 has approved the Scheme of Amalgamation ('Scheme') of Gavel Builders & Constructions Private Limited, Jesen Builders & Developers Private Limited, Jingle Builders & Developers 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') pursuant to Sections 230-232 of Companies Act, 2013 read with Rules made thereunder. The said Scheme was filed with the Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench on 28 March 2022 and the same is pending before the NCLT for its approval.
35. In earlier years, the Company had accounted for net realizable loss against its inventories, against which provision of ₹ 1085.64 lakhs is outstanding as at March 31, 2023. In the current year, there is no further net realizable loss has been recognised.

**36. Contingent liability, Commitments and Litigations:****A. Contingent Liability:**

|   | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| i) Claim against the company not acknowledged as debt*                          |               |               |
| - Income tax demand/effects   | 4,207.47      | 2,056.56      |
| - Service tax   | 685.31        | 685.31        |
| ii) Guarantees issued by the Company on behalf of intermediate holding company# | 4,000.00      | 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 favorable outcome with respect to the above cases and is of the view that no adjustment are required in the financial statement of company.

#During the previous year, the Company issued corporate guarantee of ₹ 20,000.00 lakhs in favor of ICICI Bank Limited against a loan obtained by the intermediary holding company on 16 June 2021. The outstanding balance as on 31 March 2023 is ₹ 4,000.00 lakhs (31 March 2022 ₹ 12,000.00 lakhs).

**B. Capital and other commitment:**

|  | 31 March 2023 | 31 March 2022 |
|--|---------------|---------------|
| Capital commitments (for property, plant, and equipment) | -             | 1.31          |

**C. Litigation**

In respect of Company's project, there was delay in project completion due to various reasons and the customers had filed cases against the Company seeking compensation in form of interest for delayed possession, refund of amount deposited along with interest. Pursuant to the judgement of Hon'ble Supreme Court of India in the matter and based on the advice of legal counsels, the Company has assessed the liability to be compensated to the customers. In respect of cases where possession of property is handed over to the customers and the same is finally settled and disposed-off and short/excess liability have been released in the statement of profit and loss during the year.

Further, against the outstanding cases where the possession of the properties is yet to be given to the customers, the Company is carrying liability of ₹ 1,288.62 lakhs will be reduced from the sale values of the respective property as and when the revenue is recognised for such properties as per the policy of the Company. 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 2023 and 31 March 2022:**

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.

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

Pursuant to Section 135 and other relevant provisions of the Companies Act, 2013 read with the Rules made thereunder (the Act), an amount of ₹ 23.39 lakhs (31 March 2022: Nil) (being 2% of the average net profits of the Company made during the three immediately preceding financial years) was required to be contributed towards Corporate Social Responsibility (CSR) activities during financial year (FY) 2022-23 as detailed below.

| Particulars  | Amount to be incurred towards CSR during the year | Amount incurred during the year | Amount to be incurred* |
|--|---|---------------------------------|------------------------|
| Development of Cycle Track & Pedestrian Walkway of Sector 42/54, Gurugram (CSR Theme - Environment Sustainability) | 23.39   | 7.77                            | 15.62                  |

\*(transferred to special account opened under the Act)



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 2022: 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 2022: 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 2022: area 1.65 acres and consideration ₹ 216.50 lakhs) is yet to be registered in Company's favor.

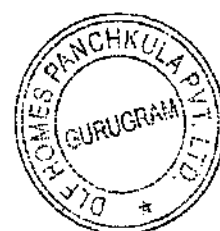
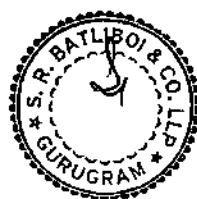
The Company had also entered into collaboration agreements of 25.00 acres (31 March 2022: 45.10 acres) with various landowners for development of land against which 30,000 sq. yd. (31 March 2022: 51,289 sq. yd.) of developed plots is to be given as consideration. Out of the total area, 24.70 acres (31 March 2022: 19.20 acres) has already been registered in favor of the Company and balance 0.30 acres (31 March 2022: 25.90 acres) is yet to be registered in favor of the Company.

The Company has given advances to landowners aggregating to ₹ 172.90 lakhs (31 March 2022: ₹ 182.90 lakhs) and has also paid security deposit of ₹ NIL (31 March 2022: ₹ 22.00 lakhs) against purchase of land in accordance with collaboration agreements entered. Legal proceedings have also been initiated for recovery of the advance given.

### **39. Segment Information**

The Company's business activities, which are primarily real estate development and related activities, fall within a single reportable segment as the management of the Company views the entire business activities as real estate development. Accordingly, there are no additional disclosures to be furnished in accordance with the requirement of Ind AS 108 – Operating Segments with respect to single reportable segment. Further, the operations of the Company is domiciled in India and therefore there are no reportable geographical segment.

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**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 2023 |       |                  | 31 March 2022 |       |                 |
|------------------------------|---------------|-------|------------------|---------------|-------|-----------------|
|                              | FVTPL         | FVOCI | Amortised cost   | FVTPL         | FVOCI | Amortised cost  |
| <b>Financial assets</b>      |               |       |                  |               |       |                 |
| Trade receivables            | -             | -     | 6.54             | -             | -     | 4.26            |
| Loans                        | -             | -     | 10,877.71        | -             | -     | 5,652.55        |
| Cash and equivalents         | -             | -     | 870.28           | -             | -     | 665.19          |
| Other bank balance           | -             | -     | 13,128.64        | -             | -     | 1,649.41        |
| Other financial assets       | -             | -     | 223.64           | -             | -     | 214.14          |
| <b>Total</b>                 | -             | -     | <b>25,106.81</b> | -             | -     | <b>8,185.55</b> |
| <b>Financial liabilities</b> |               |       |                  |               |       |                 |
| Borrowings                   | -             | -     | -                | -             | -     | 2,350.00        |
| Trade payable                | -             | -     | 2,706.17         | -             | -     | 453.15          |
| Other financial liabilities  | -             | -     | 420.15           | -             | -     | 461.81          |
| <b>Total</b>                 | -             | -     | <b>3,126.32</b>  | -             | -     | <b>3,264.96</b> |

**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 2023    |                  | 31 March 2022   |                 |
|------------------------------------|---------|------------------|------------------|-----------------|-----------------|
|                                    |         | Carrying value   | Fair value       | Carrying value  | Fair value      |
| <b>Financial assets</b>            |         |                  |                  |                 |                 |
| Trade receivables                  | Level 3 | 6.54             | 6.54             | 4.26            | 4.26            |
| Loans                              | Level 3 | 10,877.71        | 10,877.71        | 5,652.55        | 5,652.55        |
| Cash and cash equivalents          | Level 3 | 870.28           | 870.28           | 665.19          | 665.19          |
| Other bank balances                | Level 3 | 13,128.64        | 13,128.64        | 1,649.41        | 1,649.41        |
| Other financial assets             | Level 3 | 223.64           | 223.64           | 214.14          | 214.14          |
| <b>Total financial assets</b>      |         | <b>25,106.81</b> | <b>25,106.81</b> | <b>8,185.55</b> | <b>8,185.55</b> |
| Borrowings                         | Level 3 | -                | -                | 2,350.00        | 2,350.00        |
| Trade payable                      | Level 3 | 2,706.17         | 2,706.17         | 453.15          | 453.15          |
| Other financial liabilities        | Level 3 | 420.15           | 420.15           | 461.81          | 461.81          |
| <b>Total financial liabilities</b> |         | <b>3,126.32</b>  | <b>3,126.32</b>  | <b>3,264.96</b> | <b>3,264.96</b> |

**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 represents 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.





**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 2023 | 31 March 2022 |
|----------------------|---|---------------|---------------|
| Low credit risk      | Cash and cash equivalents, other bank balances, loans, and other financial assets | 25,100.27     | 8,181.29      |
| Moderate credit risk | Loans and other financial assets  | -             | -             |
| High credit risk     | Trade receivables   | 6.54          | 4.26          |

**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 2023**

| Particulars            | Estimated gross carrying amount at default | Expected credit losses | Carrying amount net of impairment provision |
|------------------------|--|------------------------|---|
| Trade receivables      | 126.81                                     | (120.27)               | 6.54  |
| Loans                  | 10,877.71                                  | -                      | 10,877.71                                   |
| Cash and equivalents   | 870.28                                     | -                      | 870.28                                      |
| Other bank balance     | 13,128.64                                  | -                      | 13,128.64                                   |
| Other financial assets | 223.64                                     | -                      | 223.64                                      |
|                        | <b>25,227.08</b>                           | <b>(120.27)</b>        | <b>25,106.81</b>                            |

**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                  | 5,652.55                                   | -                      | 5,652.55                                    |
| Cash and equivalents   | 665.19                                     | -                      | 665.19                                      |
| Other bank balance     | 1,649.41                                   | -                      | 1,649.41                                    |
| Other financial assets | 214.14                                     | -                      | 214.14                                      |
|                        | <b>8,338.75</b>                            | <b>(153.20)</b>        | <b>8,185.55</b>                             |

**(i) 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 Nil (31 March 2022: ₹ 68.80 lakhs ) provision towards club annual charges and tax recoverable from customer. 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.



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

| Reconciliation of loss allowance              | Amount  |
|---|---------|
| Loss allowance on 1 April 2021                | 59.22   |
| Add: Allowance for expected credit loss (net) | 93.98   |
| Loss allowance on 31 March 2022               | 153.20  |
| Add: Allowance for expected credit loss (net) | (32.93) |
| Loss allowance on 31 March 2023               | 120.27  |

**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 2023                   | Less than 1 year | 1-5 year | More than 5 years | Total           |
|---------------------------------|------------------|----------|-------------------|-----------------|
| Borrowings (including interest) | 5.87             | -        | -                 | 5.87            |
| Interest accrued on CCDs        | 5.86             | -        | -                 | 5.86            |
| Trade payable                   | 2,706.17         | -        | -                 | 2,706.17        |
| Other financial liabilities     | 404.67           | -        | -                 | 404.67          |
| <b>Total</b>                    | <b>3,122.57</b>  | <b>-</b> | <b>-</b>          | <b>3,122.57</b> |

| 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 liabilities     | 399.48           | -        | -                 | 399.48          |
| <b>Total</b>                    | <b>3,264.96</b>  | <b>-</b> | <b>-</b>          | <b>3,264.96</b> |

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 2023 | 31 March 2022   |
|-------------------------|---------------|-----------------|
| Fixed rate borrowing    | -             | 2,350.00        |
| <b>Total borrowings</b> | <b>-</b>      | <b>2,350.00</b> |

**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 assets. In order to maintain or adjust the capital structure, the Company may return capital to shareholders or issue new shares.

| Particulars   | 31 March 2023 | 31 March 2022 |
|---|---------------|---------------|
| Net debts* (A)  | -             | 1,684.81      |
| Total equity  | 39,968.01     | 34,805.61     |
| Capital and net debt (B)                              | 39,968.01     | 36,490.42     |
| <b>Net debt to equity ratio (gearing ratio) (A/B)</b> | <b>0.00%</b>  | <b>4.62%</b>  |

\* Net Debt = Borrowings - cash and cash equivalents (except where net debt is negative)



**DLF Homes Panchkula Private Limited**

**Notes to financial statements for the year ended March 31, 2023**

**(All amounts in ₹ lakhs, unless otherwise stated)**

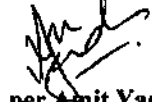
43. The figures for the corresponding previous year have been regrouped/ reclassified, wherever considered necessary.

As per our report of even date

**For S.R. Batliboi & Co. LLP**

Chartered Accountants

Firm Registration Number : 301003E/ E300005



**per Amit Yadav**

Partner

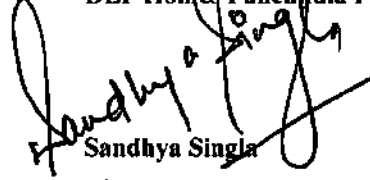
Membership Number: 501753

Place: Gurugram

Date: 11 May 2023



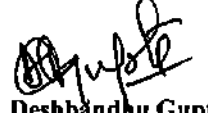
For and on behalf of the Board of Directors of  
**DLF Homes Panchkula Private Limited**



**Sandhya Singla**

Director

DIN: 08893844



**Deshbandhu Gupta**

Director

DIN: 08146316

