PARANJAPE SPACES AND SERVICES PRIVATE LIMITED

ANNUAL REPORT 2023-24

Paranjape Spaces and Services Private Limited
Registered Office: 101, Somnath CTS No 988, 14 Ram Mandir Road, Vile Parle East, Mumbai, Maharashtra, India, 400057
CIN: U70109PN2020PTC196580 **Phone:** +91 020 25440986 **Email:** cspsspl@pscl.in

BOARD'S REPORT

To,
The Members of
Paranjape Spaces and Services Private Limited ("Company")

The Directors hereby present their 4th Board's Report of the Company for the financial year ended 31st March, 2024 along with the Auditor's Report thereon.

1. FINANCIAL RESULTS

Certain aspects of the Company's performance during the year under review as compared to the previous year are as under:

(Amount in Millions)

Particulars	FY 2023-24	FY 2022-23
Income from operations	77.97	67.51
Other Income	11.88	19.68
Total Revenue	**89.85**	**87.19**
Total Expenses	184.72	81.37
Profit/(Loss) before tax	**(94.87)**	**5.82**
Less: Tax Expenses	0.26	(0.26)
Profit/(Loss) after tax	**(95.13)**	**6.08)**

2. OPERATIONS AND STATE OF AFFAIRS

During the year under review there is an income of INR 77.97 million from the operations and the loss after tax has increased from INR 6.08 million to INR 95.13 million due to substantial increase in other expenses from 13.25 million to 104.75 million in financial year 2023-24.

3. CHANGE IN THE NATURE OF BUSINESS

During the year under review, there have been no material changes in the nature of business of the Company.

4. RESERVES

In view of the losses incurred by your Company during the year under the review, no amount is proposed to be transferred to reserves.

5. DIVIDEND

During the year under review, the Board of Directors has not recommended any dividend. Further, there is no unpaid dividend; hence transferring unpaid dividend amount to Investor Education Protection Fund does not arise.

6. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments affecting the financial position of the Company which have occurred between 31st March, 2024 and the date of this Report, other than those disclosed in this report.

7. SHARE CAPITAL

During the year under review, there was no change in share capital of the Company. The Authorised Share Capital stands at 50,000 (Fifty Thousand) Equity Shares of Rs. 10/- (Ten only) each aggregating Rupees 5,00,000/- (Rupees Five Lakh only), whereas the Issued, Subscribed and Paid-up Share Capital of the Company at 10,000 (Ten Thousand) Equity Shares of Rs. 10/- (Rupees Ten only) each aggregating to Rs. 1,00,000/- (Rupees One Lakh only). Further, there was no public issue, rights issue, bonus issue or preferential issue.

8. DEBENTURES

During the year under review, there was no change in the Debentures of the Company, the Company has issued 650 Listed, Secured, Rated, Redeemable Non-Convertible Debentures ("NCD") of face value of INR 10,00,000 (Indian Rupees Ten Lakhs only) each aggregating to INR 65,00,00,000 (Indian Rupees Sixty Five Crores only), at par, on a private placement basis ("Listed NCDs") which are listed on Debt Segment of BSE Limited with effect from 16th February, 2023. The Listed NCDs issued by the Company were rated "Acuite D" by Acuite Ratings & Research Limited ("Acuite"). There is no further revision.

The Company has also issued 260 Unlisted, Non-Convertible Debentures of face value INR 10,00,000 (Indian Rupees Ten Lakhs only) each aggregating to INR 26,00,00,000 (Indian Rupees Twenty Six Crores only) at par, on private placement basis on 28th February, 2023.

9. DEPOSITS

The Company has not accepted any deposits from the public and there is no amount on account of principle and interest of deposit was outstanding as on the date of balance sheet.

10. MEETINGS OF THE BOARD

The Board met eight (8) times during the year under review on 1st May, 2023, 4th May, 2023, 30th May, 2023, 3rd July, 2023, 14th August, 2023, 7th September, 2023, 9th November, 2023 and 14th February, 2024. The intervening gap between the Meetings was within the period prescribed under the Act.

11. DIRECTORS'RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 ("Act"), the Board of Directors, to the based on their knowledge and ability, confirm that:

a. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at 31st March, 2024 and of the loss of the Company for the year ended on that date;

c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d. the Directors have prepared the annual accounts on a going concern basis;
e. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, there is no change in the constitution of Board of Directors. As on the 31st March, 2024, the Company had three directors as follows:

Sr. No.	Name of Director	DIN	Designation
1.	Mr. Pushkar Apte	09006340	Director
2.	Mr. Sachin Hirap	00132493	Director
3.	Mr. Uttam Redkar	00132500	Director

In accordance with the provisions of Section 152 of the Act, Mr. Sachin Hirap (DIN: 00132493) is liable to retire by rotation at the ensuing Annual General Meeting (“AGM”) and being eligible, offers himself for re-appointment as a Director of the Company. The resolution seeking Members’ approval for his re-appointment forms part of the AGM Notice. The Board of Directors of your Company has recommended his appointment at the ensuing AGM.

The Company being a wholly owned subsidiary of a public company i.e. Paranjape Schemes (Construction) Limited, Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 is not applicable to the Company. Hence, the Company is not required to constitute Audit Committee and Nomination and Remuneration Committee.

The provisions of Rule 8(4) of the Companies (Accounts) Rules, 2014 relating to the annual evaluation of Board/Committees are also not applicable to the Company.

KEY MANAGERIAL PERSONNEL

In compliance with Regulation 6 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board at its meeting held on 23rd March, 2023 had appointed Mr. Mahesh Singhi as Company Secretary and Compliance Officer of the Company.

The provisions of Section 203 of the Act, relating to appointment of key managerial personnel are not applicable to the Company.

13. VIGIL MECHANISM CUM WHISTLE BLOWER POLICY

The Company has established a vigil mechanism for directors, employees and other stakeholders to report their genuine concerns and has made provisions for direct access to the independent third party.

14. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any subsidiary/ joint venture/ associate company at the end of financial year. Hence, the provisions of Section 129(3) of the Act are not applicable to your Company.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

The Company has not made any investments, provided loans or advances in the nature of loans or security to any entity during the year. However, the Company has provided guarantee in favour of concerned debenture trustees in respect of debentures issued by Paranjape Schemes (Construction) Limited, Holding Company and Paranjape Realty Spaces Private Limited to the extent of INR 1,200 million and INR 1,550 million, respectively.

Details of Loans given by the Company, Guarantees and Securities provided by the Company in respect of loans availed by body corporate under Section 186 of the Act, are provided in the Note No. 31 of the Financial Statements of the Company.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions entered during the year were in the ordinary course of the business and at an arm's length basis. Pursuant to fourth proviso of Section 188(1) of the Act, approval of the Board or Members as the case maybe, is not required to any transactions entered into by the Company in its ordinary course of business other than transactions which are not at arm's length basis.

During the under review, the Company had not entered into any transaction within the purview of Section 188 of the Act and the transaction which ware material, Accordingly, Form No. AOC-2, prescribed under the provisions of Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, for disclosure of details of related party transactions, is not provided as an annexure to this report.

However, the Board of Directors draw attention of the Members to Note No. 31 of the notes forming part of the financial statement which set out related party disclosures as required under Ind AS.

17. INTERNAL COMPLAINTS COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION, AND REDRESSAL) ACT, 2013

The Company has complied with the provisions relating to the constitution of the Internal Complaints Committee under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, there was no complaint filed and received before the said Committee and no complaint was pending at the beginning or at the end of the financial year under review.

18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Considering the nature of business, there is nothing to be reported under the head conservation of energy, technology absorption and foreign exchange earnings and outgo.

19. RISK MANAGEMENT

The Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the Company.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risk associated with business. In order to achieve key objective, the policy establishes a structured and disciplined approach to risk management, in order to guide decisions on risk related issues.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the company are imperative. The common risks inter alia are: regulations, competitions, business risk, technology obsolescence, investment risks, retention of talent and expansion of facilities.

20. STATUTORY AUDITORS

On recommendation of Board of Directors and pursuant to the provisions of Section 139(2) of the Act and Rules made thereunder, the Members at their 2nd Annual General Meeting held on 30th September, 2022 had appointed M/s. Walker and Chandiok & Co LLP, Chartered Accountants, (FRN: 007076N/N500013) as the Statutory Auditors of the Company for a term of five consecutive years i.e. from the conclusion of the 2nd Annual General Meeting till the conclusion of 7th Annual General Meeting of the Company.

21. COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE

The following qualifications were given by Statutory Auditors of the Company:

1. The Report issued by M/s. Walker and Chandiok & Co LLP, Chartered Accountants, on the financial statements of the Company for the financial year ended 31st March, 2024 forms part of the Annual Report. The qualifications, reservations or adverse remarks or disclaimers made are as under The Company has issued a financial guarantee in the favor of Vistara ITCL (India) Limited ('Debenture Trustee') in respect of the non-convertible debentures of Paranjape Realty Spaces Private Limited ('PRSPL' or 'the Fellow Subsidiary Company') and optionally convertible debentures of Paranjape Schemes (Construction) Limited ('PSCL' or 'the Holding Subsidiary') (PRSPL and PSCL together hereinafter referred to as 'the Borrowers') amounting to INR 1,479.00 million and INR 703.83 million respectively, along with interest accrued thereon. Pursuant to Debenture Trust Deeds entered between the Borrowers, Debenture Trustees, and Ask Real Restate Special Opportunities Fund I and III ('Debenture-holders'), the maturity date of the debentures was due on 29th September 2023. However, the Borrowers defaulted on the repayment of the principal amount along with interest accrued on the due date.

   Reply by the Board: The Borrowers, Paranjape Schemes (Construction) Limited and Paranjape Realty Spaces Private Limited, are in discussion with the Debenture holders for revision in the terms and conditions of the Debenture Trust Deed including extension of the due date of the repayment of amount payable to the Debenture holders. The Company has not received any notice from the Debenture Trustee to invoke financial guarantees furnished by the Company.

   The Company's management has estimated that the fair value of financial guarantees as Rs. Nil as at 31st March 2024 based on their assessment of the Company's share in the total expected credit loss in cross–company guarantees arrangement with the understanding that the Borrowers would be able to satisfy the obligations under the Debenture Trust Deed basis other securities/properties pledged against the borrowings and no liability is likely to arise on the Company.

2. The Company entered into a redevelopment contract in the previous year with a housing society (Society"), wherein the Company is obligated to provide certain residential units to the society, in exchange for the development rights received as a non-cash consideration. In accordance with interpretation / guidance on 'non-cash consideration' under Ind AS 115, Revenue from Contract with Customers ('Ind AS 115'), the said contract involves a distinct performance obligation towards providing construction service with respect to delivering to the Society constructed residential units in exchange of such development rights acquired. Revenue with respect to such units transferred to the Society should be recognised over period of time with corresponding cost of construction recognised in the Statement of Profit and Loss. Further, the consideration for such construction service should be accounted as Inventory on the project launch date representing acquired development rights. However, the Company did not recognize revenue relating to redevelop units and the corresponding impact in inventory for acquired development rights in the previous year. In accordance with principles of Ind AS 8: Accounting Policies, Changes in Accounting Estimates and Errors, the management has retrospectively restated the comparative information of previous periods /year to rectify the aforementioned material prior period error.

   Reply by the Board: This being an interpretative matter for which no clear guidelines have been issued by any authority, the Company accepts the views of the auditors who have audited the financials of the previous year as well.

22. THE WEB ADDRESS, IF ANY, WHERE ANNUAL RETURN REFERRED TO IN SUB-SECTION (3) OF SECTION 92 HAS BEEN PLACED

As required under Section 92 of the Act, the draft of Annual Return for the financial year ended 31st March, 2024 is available on the website of the Company and can be accessed at https://www.psspl.co.

23. REPORTING OF FRAUDS BY THE AUDITORS

During the year under review, pursuant to Section 143 (2) of the Act, the Statutory Auditors of the Company has not reported any instances of fraud committed against the Company by its officers or employees, the details of which needs to be mentioned in this Board's report.

24. COST AUDITOR

As per the provisions of the Section 148 (1) of the Act, the Company is not required to maintain cost records and hence, the Company has not appointed Cost Auditor.

25. SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There were no significant material orders passed by any Regulators or Courts or Tribunal which would impact the going concern status of the Company and its future operation. However the following litigations, which has no significant impact, are pending against the Company:

1. The suit was initiated in the year 2011 bearing number 1480/2011 for declaration, perpetual injunction, possession, is kept for examination in the chief.

2. The suit was initiated in the year 2018 bearing number 593/2018, wherein the applicant has filed application for restoration of Misc Application 117/2010 filed under Order 9 Rule 4 of CPC which is dismissed for want of prosecution on 07-10-2017 under Order 9 Rule 3 of CPC. The applicant has taken steps for issue of summons and report are awaited.

3. The suit was initiated in the year 2022 bearing number 1120/2022, Plaintiff has filed suit for partition, declaration and injunction against Balasaheb Bhilare and others in which Paranjape Schemes (Construction) Limited ("PSCL") is party i.e. Defendant No.11, the Plaintiff to file amended plaint. PSCL has filed application for setting aside the order. The matter is kept for hearing.

   All the aforesaid litigations as displayed on MahaRERA portal is not related to project land of R47.

27. SECRETARIAL AUDIT

The provisions of Section 204 of the Act with respect to secretarial audit report are not applicable to the Company and hence, the Company has not appointed secretarial auditor for obtaining the secretarial audit report.

28. CORPORATE SOCIAL RESPONSIBILITY

The provisions contained in Section 135 and Schedule VII of the Act and rules made thereunder relating to Corporate Social Responsibility are not applicable to the Company

29. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016)

The Company neither made any application nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the year.

30. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The Company has not obtained any one time settlement of loan from the Banks or Financial Institutions.

31. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

32. ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation and sincere thanks to the customers, shareholders, banks, financial institutions, vendors and other associates who through their continued support and cooperation, have helped, as partners, in the Company's progress. The Directors also acknowledge the hard work, dedication and commitment of the employees for the growth of the Company and look forward to their continued involvement and support.

For and on behalf of the Board of Directors of
Paranjape Spaces and Services Private Limited

Sd/-	**Sd/-**
Pushkar Apte	**Uttam Redkar**
Director	Director
DIN: 09006340	DIN: 00132500
Date: 29th August, 2024	

ANNEXURE TO THE BOARD REPORT

FORM AOC -2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transactions including the value, if any
-	-	-	-

2. Details of contracts or arrangements or transactions at Arm's length basis.

(*in millions*)

Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transactions including the value, if any	Date of Approval of Board of Director (if any)
Paranjape Schemes (Construction) Limited Holding Company of the Company	Purchase of land (*in ordinary course of business of the Company)*	Not defined	For land of Project R-47 **Rs. 694 (in millions)**	Not required (*in ordinary course of business of the Company)*

Sd/-
Pushkar Apte
Director
DIN: 09006340

Sd/-
Uttam Redkar
Director
DIN: 00132500

Walker Chandiok & Co LLP
3rd floor, Unit No. 310 to 312,
West Wing, Nyati Unitree
Nagar Road, Yerwada,
Pune - 411 006
Maharashtra, India

T +91 20 6744 8888
F +91 20 6744 8899

Independent Auditor's Report

To the Members of Paranjape Spaces and Services Private Limited

Report on the Audit of the Financial Statements

Qualified Opinion

1. We have audited the accompanying financial statements of Paranjape Spaces and Services Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. As stated in note 39 to the accompanying financial statements, the Company has issued a financial guarantee in the favor of Vistara ITCL (India) Limited ('Debenture Trustee') in respect of the non-convertible debentures of Paranjape Realty Spaces Private Limited ('PRSPL' or 'the Fellow Subsidiary Company') and optionally convertible debentures of Paranjape Schemes (construction) Limited ('PSCL' or 'the Holding Subsidiary') (PRSPL and PSCL together hereinafter referred to as 'the Borrowers') amounting to INR 1,479.00 million and INR 703.83 million respectively, along with interest accrued thereon. Pursuant to Debenture Trust Deeds entered between the Borrowers, Debenture Trustees, and Ask Real Restate Special Opportunities Fund I and III ('Debenture-holders'), the maturity date of the debentures was due on 29 September 2023. However, the Borrowers defaulted on the repayment of the principal amount along with interest accrued on the due date.

The Company's management has estimated that the loss allowance from the aforesaid financial guarantee contract as per the principles Ind AS 109, 'Financial Instruments', is Rs. Nil as at 31 March 2024 basis the expectation that no liability is likely to be devolved on the Company on account of other securities pledged with the debenture holders against the said debentures. However, in the absence of sufficient and appropriate audit evidence to support such assessment by the management, we are unable to comment on the adjustments that may be required to the carrying value of the financial guarantee as at 31 March 2024 and any consequential impact thereof to the accompanying financial statements.

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4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matter

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. In addition to the matter described in the Basis for Qualified Opinion, we have determined the matter described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
1) Carrying Value of inventories Refer Note 2(c) and 6 to the financial statements for accounting policy on inventories and related financial disclosures. As on 31 March 2024, the carrying value of the inventory comprising of construction materials, properties under construction (work in progress) and land and development rights is Rs. 2,689.21 million, represents a significant portion of the Company's total assets. Inventory is valued at cost or net realizable value (NRV), whichever is lower. NRV is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale and estimated costs of completion (in case of construction work-in-progress). The cost includes direct and indirect expenditure relating or incidental to construction activity. Various estimates such as estimated future selling price, completion date of the projects, estimated selling costs and cost to complete projects are necessary to compute NRV. Considering the significance of the balance to the financial statements as a whole and the estimate which requires significant management judgement, carrying value of inventory is identified as a key audit matter for the current year audit.	Our audit in assessment of the carrying value of inventories included, but was not limited to, the following procedures - • Obtained an understanding of the management process and internal controls related to inventory valuation; • Evaluated the appropriateness of accounting policies with respect to inventories in accordance with Ind AS 2; • Evaluated the design and tested the operating effectiveness of controls for the review of estimates involved for the expected cost of completion of projects including construction cost incurred, construction budgets and net realizable value; • Obtained and tested the computation involved in assessment of carrying value including NRV on a sample basis and compared such NRV to recent agreements for sale of units from the project or to the estimated selling price; • Compared the estimated construction costs to complete the projects with the Company's updated budgets; • Recomputed weighted average cost of construction materials on a sample basis; • Compared the acquisition cost of the underlying land with current market price in similar locations;

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	• Tested the cost incurred on sample basis by verification of underlying supporting documents such as invoices, shipping documents, etc.; and • Assessed the appropriateness and adequacy of disclosures made by the management included in the financial statements in compliance with the applicable accounting standards.
2) Revenue recognition from redevelopment agreement Refer Note 2(f) and 20 to the financial statements for accounting policy on revenue recognition and related financial disclosures. The Company applies Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115') for recognition of revenue generated from redevelopment contract entered into by the Company in the previous year. In respect of construction contracts involving redevelopment, which includes a distinct performance obligation towards providing construction service to the customer, which is transferred free of cost, in exchange for the development rights in the project received by the Company, revenue is recognised over a period of time using input method with corresponding cost of construction recognised in the Statement of Profit and Loss. Revenue for the construction service is measured at the fair value basis costs incurred along with suitable estimated profit margins. For measurement of revenue using input method, significant estimates including budgeted project costs are required, which are subject to high inherent estimation uncertainty. Considering the significance of management judgements and estimates involved, complexity involved in identification of performance obligations under Ind AS 115 and the materiality of amounts involved, revenue recognition from redevelopment contract is identified as a key audit matter for current year audit. Further, refer Note 40 which describes restatement of comparative financial information included in the current year in respect of accounting for aforesaid contract in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors,	Our audit of revenue recognition from redevelopment contract included, but was not limited to, the following procedures – • Evaluated the appropriateness of accounting policy for revenue recognition for redevelopment contract in terms of principles enunciated under Ind AS 115; • Obtained and understood the revenue recognition process and performed test of controls over revenue recognition including determination of fair valuation of estimated construction service revenue under redevelopment contract; • Visited site during the year for the project to understand the nature, status and progress of the project. • Obtained and read the Redevelopment agreement entered into by the Company to corroborate management's assessment of performance obligations identified in such contract; • Obtained and tested the computation of the fair value of the construction service under redevelopment contract including estimates of cost for completion and profit margins involved in determining such fair value; • Tested the computation for recognition of revenue recognised over a period of time from the redevelopment contract basis test of management's assessment of stage of completion and project cost estimates. • Assessed the adequacy of disclosures included in financial statements in accordance with the requirements of Ind AS 115.

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which is considered to be fundamental to the understanding of the users of the accompanying financial statements.	

Information other than the Financial Statements and Auditor's Report thereon

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

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

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

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Financial Statements

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

9. In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

10. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

12. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that

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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 with reference to financial statements 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 Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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; and

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

13. 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.

14. 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.

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

Report on Other Legal and Regulatory Requirements

16. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.

17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

18. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and except for the matter described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the possible effects of the matter described in

WALKER CHANDIOK & CO LLP ★ PUNE ★ CHARTERED ACCOUNTANTS

the Basis for Qualified Opinion section and except for the matters stated in paragraph 18(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

c) The financial statements dealt with by this report are in agreement with the books of account;

d) Except for the possible effects of the matter described in the Basis for Qualified Opinion section, in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;

e) The matter described in Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the Company;

f) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;

g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 3 of the Basis for Qualified Opinion section, paragraph 18(b) above on reporting under section 143(3)(b) of the Act and paragraph 18(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended)];

h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure II wherein we have expressed a modified opinion; and

i) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

   i. the Company does not have any pending litigation which would impact its financial position as at 31 March 2024;

   ii. Except for the possible effect(s) of the matter described in the Basis for Qualified Opinion section, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;

   iv.

      a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 43(15) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

      b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 43(16) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the 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

WALKER CHANDIOK & CO LLP PUNE CHARTERED ACCOUNTANTS

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

v. The Company has not declared or paid any dividend during the year ended 31 March 2024.

vi. As stated in note 41 to the financial statements and based on our examination which included test checks, except for instances mentioned below, the Company, in respect of financial year commencing on 1 April 2023, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exceptions mentioned below:

Nature of exception noted	Details of Exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software	i) The audit trail feature was not enabled at the application level for master data changes for accounting software used for maintenance of books of account of the Company. ii) The audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of all accounting records by the Company.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tadwalkar

Shashi Tadwalkar
Partner
Membership No.: 101797

UDIN: 24101797BKCPEF4071

Place: Pune
Date: July 15, 2024

Annexure I referred to in paragraph 17 of the Independent Auditor's Report of even date to the members of Paranjape Spaces and Services Private Limited on the financial statements for the year ended 31 March 2024.

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 report that:

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

(B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.

(b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not own any immovable property including investment properties. Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its property, plant and equipment during the year. Further, the Company does not hold any intangible assets.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

(iv) The Company has not entered into any transaction covered under section 185 of the Act. As the Company is engaged in providing infrastructural facilities as specified in Schedule VI of the Act, provisions of section 186 except sub-section (1) of the Act are not applicable to the Company. In our opinion, and according to the information and explanations given to us, the Company has not entered into any transaction covered under the provisions of sub-section (1) of section 186 of the Act.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

WALKER CHANDIOK & CO LLP PUNE CHARTERED ACCOUNTANTS

(vii)(a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have not been regularly deposited with the appropriate authorities and there have been significant delays in a large number of cases. Undisputed amounts payable in respect thereof, which were outstanding at the year-end for a period of more than six months from the date they became payable are as follows:

Statement of arrears of statutory dues outstanding for more than six months:

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment	Remarks, if any
PT Act, 1987	Professional Tax	5400	FY 2022-23	31 March 2023	-	-

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, loans amounting to ₹ 703.76 million are repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. Further, such loans and interest thereon have not been demanded for repayment as on date.

(b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.

(e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.

WALKER CHANDIOK & CO LLP ★ PUNE ★ CHARTERED ACCOUNTANTS

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.

(xiv) According to the information and explanations given to us, the Company is not required to and consequently, does not have an internal audit system as per the provisions of section 138 of the Act. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC .

(xvii) The Company has incurred cash losses amounting to Rs. 95.61 million in the current financial year but had not incurred cash losses in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the financial statements, our knowledge of the plans of the Board of Directors and management 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 indicating 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 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) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.

WALKER CHANDIOK & CO LLP
PUNE
CHARTERED ACCOUNTANTS

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Shashi Tadwalkar
Partner
Membership No.: 101797

UDIN: 24101797BKCPEF4071

Place: Pune
Date: July 15, 2024

Annexure II to the Independent Auditor's Report of even date to the members of Paranjape Spaces and Services Private Limited on the financial statements for the year ended 31 March 2024

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of **Paranjape Spaces and Services Private Limited** ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in Guidance note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by 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 the Company's 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 Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the 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 financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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.

5. 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 financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. 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 financial statements include 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.

WALKER CHANDIOK & Co LLP
PUNE
CHARTERED ACCOUNTANTS

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Qualified Opinion

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls with reference to financial statements as at 31 March 2024:

   The Company's internal financial control system with respect to the estimation of fair value of financial guarantee and the credit loss allowance against such financial guarantee, as fully explained in Note 39 to the accompanying financial statements, were not operating effectively, which could potentially result in a material misstatement in the fair value of financial guarantee as at 31 March 2024 and its consequential impact on loss for the year, retained earnings and related disclosures in the financial statements.

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

10. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note, and except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as at 31 March 2024.

11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company as at and for the year ended 31 March 2024, and the material weakness has affected our opinion on the financial statements of the Company, and we have issued a qualified opinion on the financial statements.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tadwalkar

Shashi Tadwalkar
Partner
Membership No.: 101797

UDIN: 24101797BKCPEF4071

Place: Pune
Date: July 15, 2024

Paranjape Spaces and Services Private Limited
CIN: U70109MH2020PTC430156
BALANCE SHEET AS AT MARCH 31, 2024

(In Millions)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023 (Restated) Refer note 40
A. ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	3	3.37	5.81
(b) Financial assets			
- Other financial assets	4	7.18	7.18
(c) Deferred tax assets (net)	28	-	0.26
(d) Other non-current assets	5	4.24	0.64
Total non-current assets		**14.79**	**13.89**
Current assets			
(a) Inventories	6	2,689.21	1,581.01
(b) Financial assets			
- Cash and cash equivalents	7	100.57	237.06
- Bank balances other than cash and cash equivalents	8	163.60	154.50
- Other financial assets	9	6.76	19.04
(c) Other current assets	10	9.91	2.80
Total current assets		**2,970.05**	**1,994.41**
TOTAL ASSETS		**2,984.84**	**2,008.30**
B. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	11.1	0.10	0.10
(b) Other equity	11.2	(179.00)	(83.13)
Total Equity		**(178.90)**	**(83.03)**
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
- Borrowings	12	904.06	904.06
- Trade Payables	19		
a) Total outstanding dues of micro enterprises and small enterprises		-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		-	107.71
- Other financial liabilities	13	257.78	103.73
(b) Provisions	14	1.83	-
Total non-current liabilities		**1,163.67**	**1,115.50**
Current liabilities			
(a) Financial liabilities			
- Borrowings	15	703.76	328.35
- Trade payables	19		
a) Total outstanding dues of micro enterprises and small enterprises		4.93	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		407.77	130.81
- Other financial liabilities	16	35.64	29.88
(b) Other current liabilities	17	847.43	486.79
(c) Provisions	18	0.54	-
Total current liabilities		**2,000.07**	**975.83**
Total liabilities		**3,163.74**	**2,091.33**
TOTAL EQUITY AND LIABILITIES		**2,984.84**	**2,008.30**
Corporate information	**Refer Note 1**		
Summary of material accounting policies and other explanatory information	**Refer Note 2 to 43**		

As per our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Sd/-
Shashi Tadwalkar
Partner
Membership no.: 101797
Place: Pune
Date : July 15, 2024

For and on behalf of the Board of Directors
Paranjape Spaces and Services Private Limited

Sd/-
Sachin B. Hirap
Director
DIN No: 00132493
Place: Pune
Date : July 15, 2024

Sd/-
Uttam S. Redkar
Director
DIN No: 00132500
Place: Pune
Date : July 15, 2024

Sd/-
Mahesh Singhi
Company Secretary
M.No: F7066
Place: Pune
Date : July 15, 2024

Paranjape Spaces and Services Private Limited
CIN: U70109MH2020PTC430156
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(In Millions)

	Particulars	Note No.	Year Ended March 31, 2024	Year Ended March 31,2023 (Restated) Refer note 40
	Income			
I.	Revenue from operations	20	77.97	67.51
II.	Other income	21	11.88	19.68
III.	**Total income (I + II)**		**89.85**	**87.19**
IV.	**Expenses**			
	(a) Cost of construction and development	22	1,178.37	1,028.25
	(b) Changes in inventories of work-in-progress	23	(1,108.20)	(967.49)
	(c) Employee benefits expense	24	6.37	2.07
	(d) Finance costs	25	0.12	4.07
	(e) Depreciation and amortization expense	26	3.31	1.22
	(f) Other expenses	27	104.75	13.25
	Total expenses		**184.72**	**81.37**
V.	**(Loss)/Profit before tax (III - IV)**		**(94.87)**	**5.82**
VI.	**Tax expense / (credit):**			
	(a) Current tax		-	-
	(b) Deferred tax	28	0.26	(0.26)
	Total tax expense (net)		**0.26**	**(0.26)**
VII.	**(Loss)/Profit after tax (V - VI)**		**(95.13)**	**6.08**
VIII.	**Other comprehensive (loss)/profit for the year**			-
	I. Items that will not be reclassified to Profit or Loss		-	-
	Remeasurements of the Defined Benefit Liabilities - loss		(0.74)	
IX.	**Total comprehensive (loss)/profit for the year (VII + VIII)**		**(95.87)**	**6.08**
X.	**Earnings per share (EPS) [face value per share - Rs 10]**			
	Basic and diluted	29	(9,512.62)	608.23
	Corporate information	**Refer Note 1**		
	Summary of material accounting policies and other explanatory information	**Refer Note 2 to 43**		

As per our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

For and on behalf of the Board of Directors
Paranjape Spaces and Services Private Limited

Sd/-
Shashi Tadwalkar
Partner
Membership no.: 101797
Place: Pune
Date : July 15, 2024

Sd/-
Sachin B. Hirap
Director
DIN No: 00132493
Place: Pune
Date : July 15, 2024

Sd/-
Uttam S. Redkar
Director
DIN No: 00132500
Place: Pune
Date : July 15, 2024

Sd/-
Mahesh Singhi
Company Secretary
M.No: F7066
Place: Pune
Date : July 15, 2024

Paranjape Spaces and Services Private Limited
CIN: U70109MH2020PTC430156
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

(In Millions)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
		(Restated)
		Refer note 40
A. **Cash flow from operating activities:**		
Net (loss)/profit before tax	(94.87)	5.82
Adjustments for:		
Finance costs	214.05	4.07
Depreciation and amortization expense	3.31	1.22
Remeasurements of the Defined Benefit Liabilities	(0.74)	-
Interest income	(11.82)	(6.36)
Operating profit before working capital changes	**109.93**	**4.75**
Movements in working capital:		
- (Increase) in Inventories	(1,108.20)	(862.39)
- Decrease / (Increase) in other financial & current assets	5.17	(9.19)
- Increase in trade payables	174.18	137.71
- Increase/ (Decrease) in Other Financial Liabilities - current	5.76	(16.07)
- Increase in Other current liabilities	360.64	486.79
- Increase in Provisions	2.37	-
Operating (loss) after working capital changes	**(450.15)**	**(258.40)**
- Direct taxes paid	(3.60)	(0.64)
Net cash used in operating activities (A)	**(453.75)**	**(259.04)**
B. **Cash flow from investing activities:**		
Interest received on deposits	11.82	0.64
Investment in fixed deposits	(9.10)	(154.50)
Purchase of Property, Plant and Equipment	(0.87)	(7.04)
Payment towards capital re-organisation	-	(403.03)
Net cash generated from / (used in) investing activities (B)	**1.85**	**(563.93)**
C. **Cash flow from financing activities:**		
Proceeds from long term borrowings	-	949.96
Proceeds from short term borrowings	375.41	114.05
Finance costs paid	(60.00)	(4.07)
Net cash generated from financing activities (C)	**315.41**	**1,059.94**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(136.49)	236.96
Cash and cash equivalents at the beginning of the year	237.06	0.10
Cash and cash equivalents at end of the year	**100.57**	**237.06**
Cash and cash equivalents comprises of the following;		
Cash on hand	0.15	0.11
Balances with banks		
- current accounts	100.42	236.95
	100.57	**237.06**

Notes :

1 The above statement of cash flow has been prepared under "Indirect method" as set out in Ind AS - 7 on "Statement of Cash Flows" notified under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

As per our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Sd/-
Shashi Tadwalkar
Partner
Membership no.: 101797
Place: Pune
Date : July 15, 2024

For and on behalf of the Board of Directors
Paranjape Spaces and Services Private Limited

Sd/-
Sachin B. Hirap
Director
DIN No: 00132493
Place: Pune
Date : July 15, 2024

Sd/-
Uttam S. Redkar
Director
DIN No: 00132500
Place: Pune
Date : July 15, 2024

Sd/-
Mahesh Singhi
Company Secretary
M.No: F7066
Place: Pune
Date : July 15, 2024

Paranjape Spaces and Services Private Limited
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

A. Equity Share Capital (refer note 11)

Particulars	As at April 1, 2023	Changes during the year	As at March 31, 2024
Number of shares	10,000	-	10,000
Amount (₹in million)	0.10	-	0.10

Particulars	As at April 1, 2022	Changes during the year	As at March 31, 2023
Number of shares	10,000	-	10,000
Amount (₹in million)	0.10	-	0.10

B. Other Equity

	Reserves and Surplus		*(In Millions)*
Particulars	**Retained Earnings**	**Capital reorganisation adjustment reserve**	**Total**
Balance as at April 1, 2022	**(0.05)**	**(89.16)**	**(89.21)**
Profit for the year	6.08	-	6.08
Balance as at March 31, 2023	**6.03**	**(89.16)**	**(83.13)**
Loss for the year	(95.13)	-	(95.13)
Other Comprehensive loss for the year			
-Remeasurements of the Defined Benefit Liabilities - loss	(0.74)	-	(0.74)
Balance as at March 31, 2024	**(89.84)**	**(89.16)**	**(179.00)**

Nature and purpose of components in other equity :
1. Retained earnings
Retained earnings represents the accumulated loss of the Company.

2. Capital reorganisation adjustment reserve
In previous year, during capital re-organisation within the group, the excess of consideration over and above net assets transferred at carrying amount is treated as capital reorganisation adjusment reserve.

As per our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Sd/-
Shashi Tadwalkar
Partner
Membership no.: 101797
Place: Pune
Date : July 15, 2024

For and on behalf of the Board of Directors
Paranjape Spaces and Services Private Limited

Sd/-
Sachin B. Hirap
Director
DIN No: 00132493
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Mahesh Singhi
Company Secretary
M.No: F7066
Place: Pune
Date : July 15, 2024

Paranjape Spaces And Services Private Limited
Summary of material accounting policies and notes forming part of Financial Statements

Note 1 - Corporate Information
Paranjape Spaces And Services Private Limited ('the Company') is engaged in development of residential real estate projects. The Company is a private limited company, domiciled in India and has its debentures listed on Bombay Stock Exchange (BSE). The Company was incorporated on 4 December 2020 and has its registered office at Office No. 4, Anand Colony, PL No. 50/1, CTS No. 111/1, Erandwane, Pune, 411004, Maharashtra.

These financial statements of the Company for the year ended March 31, 2024 were approved by the Board of Directors on July 15, 2024.

Note 2 - Summary of material accounting policies
The Company has prepared its financial statements to comply in all material aspects with the provisions of the Companies Act, 2013 ("the Act") and rules framed thereunder. In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 under Section 133 of the Act.

Basis of Preparation and presentation:
These financial statements have been prepared on the historical cost convention and accrual basis, except for the certain financial assets and liabilities that are measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services on intial recognition.

Accounting policies have been applied consistently to all periods presented in these financial statements, except for the adoption of new accounting standards, amendments and interpretations effective from April 1, 2023.

Normal Operating Cycle:
The normal operating cycle in respect of construction of real estate projects depends on project size, procurement complexities, approvals needed and realisation of consideration into cash and cash equivalents and hence range from 2 to 5 years. Accordingly, project specific assets and liabilities have been classified into current and non current based on operating cycle of respective projects. For classification of all other assets / liabilities, a period of 12 months is considered.

The financial statements are presented in Indian Rupees, which is the functional and presentation currency of the Company. Functional Currency is the currency of a primary economic environment in which the Company operates.

Note 2(a) - Use of Estimates:
The preparation of these financial statements is in conformity with the recognition and measurement principles of Ind AS which requires the management of the Company to make estimates and assumptions that affect the reported balance of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the results of operations during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

(i) Valuation of inventories
The determination of net realisable value of inventory includes 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.

(ii) Provision
Provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable.

(iii) Measurement of deferred tax

In assessing the realisability of deferred income tax assets, management considers whether some portion or all the deferred income tax assets will not be realised. The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the period in which the temporary differences become deductible. Based on the projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

(iv) Defined benefits and compensated absences

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Note 2(b) - Property, Plant and Equipment

Property Plant and Equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Items of property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the statement of profit and loss. Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the statement of profit and loss.

Depreciation and amortisation:

Depreciation on property, plant and equipment has been provided on prorata basis, on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except temporary portable structure forming part of furniture and fixtures which are depreciated over the period of 4 years based on management's best estimates. The useful lives and residual values of Company’s assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each reporting date. Assets costing Rs 5,000 or less individually are fully depreciated in the year of purchase.

The estimated useful lives of the assets are as follows:

Particulars	**Useful lives**
Plant and equipment	5 years
Furniture and Fixtures	4 years
Computers	2 years

Note 2(c) - Inventories:

The determination of net realisable value of inventory includes 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.

Inventories comprise of construction materials, land and development rights and construction work in progress.

1. **Construction materials** - Cost is determined based on a weighted average basis. It is valued at cost or net realisable value whichever is lower.

2. **Land and development rights** - Cost includes land (including development rights) acquisition cost, external development charges and other directly attributable cost. Amount paid/ payable towards land development rights is measured in accordance with Ind AS 109. Land is valued at cost or net realisable value whichever is lower.

3. **Construction Work in Progress** - Cost includes construction & development cost, cost of materials & services, borrowing cost if criteria are met, and other overheads related to projects under construction. It is valued and lower of cost of net realisable value.

Net Realisable value represents the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale and estimated cost of completion (in case of construction work-in-progress). The inventory of construction work-in-progress is not written down below cost when under construction flats are expected to be sold at or above cost.

Note 2(d) - Taxes:
The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to deductible temporary differences (in case of deferred tax assets) and taxable temporary differences (in case of deferred tax liabilities).

Current Taxes:
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income.

Deferred tax
Deferred income tax is provided using the balance sheet approach on deductible and taxable temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are not recognised for:
• temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
• The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. 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 are recognised for all deductible temporary differences, unused tax losses and carry forward unused tax credits only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in statement of profit and loss.

Note 2(e) - Provision, Contingent Liabilities and Contingent Assets:
A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not recognised for future operating losses.

Contingent liabilities and Contingent assets are not recognized in the financial statements. Contingent Liabilities are disclosed in notes when there are (1) possible obligations which will be confirmed only by future events not wholly within control of the Company. (2) Present obligations 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 the obligation cannot be made.

A disclosure for contingent liabilities is made where there is:

(i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
(ii) a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are not recognised in the financial statements. Commitments are future liabilities for contractual expenditure, classified and disclosed as estimated amount of contracts remaining to be executed on capital account and not provided for.

Paranjape Spaces And Services Private Limited
Summary of material accounting policies and notes forming part of Financial Statements

Note 2 (f) - Revenue Recognition

(a) Revenue from contract with customers

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products (residential or commercial completed units) to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company satisfies the performance obligation and recognises revenue over time, if one of the following criteria is met:

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

For performance obligations where any one of the above conditions are not met, revenue is recognised at the point in time (completed contract basis) at which the performance obligation is satisfied.
Revenue from real estate projects:

Revenue is recognised at a point in time with respect to sale of real estate units including apartments, commercial units as and when the control passes on to the customer which coincides with handing over the possession to the customer. The date on which possession of unit is transferred is held as the basis of transfer of control and revenue is recognised accordingly. All expenses related to projects are treated as Work-in-progress (WIP). Whenever such sale is made, proportionate amount of Work in Progress (attributable to the area of the sold unit) is charged as cost in statement of profit and loss at the point in time when such sale is made. Other expenses not directly attributable to the project is considered as a period cost and charged to statement of profit and loss.

When it is probable that the total project costs will exceed the total project revenue. the entire expected loss is immediately recognised as an expense.

Further, in respect of redevelopment contracts, the Company is obligated to provide certain residential units to the land owner / possessor, in exchange for the land / development rights received as a non-cash consideration. In accordance with Revenue from Contract with Customers ('Ind AS 115'), the said redevelopment contracts involves a distinct performance obligation towards providing construction service with respect to delivering to the land owner / possessor constructed residential units in exchange of such land / development rights acquired. Revenue with respect to such units transferred to the land owner / possessor is recognised over a period of time using input method with corresponding cost of construction recognised in the Statement of Profit and Loss. Further, the consideration for such construction service is accounted as Inventory on the project launch date representing acquired development rights.

(b) Interest Income -
Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Note 2(g) - Employee Benefits

Short-term employee obligation

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Defined Contribution Plans

The Company's contribution to provident fund is considered as defined contribution plan and is charged as an expense as it falls due based on the amount of contribution required to be made.

Defined benefit plan

Gratuity

It is a defined benefit obligation plan operated by the Company for its employees covered under Company Gratuity Scheme. The cost of providing benefit under gratuity plan is determined on the basis of actuarial valuation performed by independent actuary using the projected unit credit method at the reporting date and are charged to the statement of profit and loss, except for the remeasurements, comprising of actuarial gains and losses which are recognized in full in the statement of other comprehensive income in the reporting period in which they occur. Remeasurements are not reclassified to profit and loss subsequently.

Leave Encashment

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Remeasurements, comprising of actuarial gains and losses are recognized in full in the statement of profit and loss. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

The Company presents the entire leave encashment liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement beyond twelve months after the reporting date.

The expected cost of accumulating leave encashment is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating leave encashment is recognized in the period in which the absences occur.

Note 2(h) - Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Note 2(i) - Earnings Per Share:
Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/ (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share or increase the loss per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

Note 2(j) - Financial Instruments:
Classification
Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of both:
(a) the entity's business model for managing the financial assets and
(b) the contractual cash flow characteristics of the financial asset.
For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement
At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain significant financing component) at its fair value plus, in the case of a financial asset not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Impairment of financial assets
In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

Derecognition of financial assets
A financial asset is derecognised only when;
i. The Company has transferred the rights to receive cash flows from the financial asset or
ii. The Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.
Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.
Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Cash and Cash equivalents:
Cash and cash equivalents in the balance sheet comprise of cash on hand and bank balances which are subject to an insignificant risk of changes in value.

Classification and subsequent measurement of financial liabilities

All financial liabilities are recognised initially at its fair value adjusted by directly attributable transaction costs. The measurement of financial liabilities depends on their classification as described below:

Financial liabilities measured at amortised cost:
After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised. 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.
Long term trade payables towards corpus and rent is recognised at amortised cost at the present value of future cash outflows.
Offsetting of Financial Liabilities
Financial assets and financial liabilities are offset and net amounts reported in balance sheet if there is an enforceable legal right to offset the recognised amounts and there is intention to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

Note 2(k) - Recent accounting pronouncements
The Ministry of Corporate Affairs (MCA), through a notification dated 31 March 2023, issued the Companies (Indian Accounting Standards) Amendment Rules, 2023 to notify certain amendments to Ind AS effective from 1 April 2023, as below:
a) Ind AS 1, Presentation of Financial Statements- The amendment now requires to disclose material accounting policies instead of significant accounting policies. It states that information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

b) Ind AS 8, Accounting policies, Change in Accounting Estimates and Errors: The definition of 'change in account estimate' has been replaced by the definition of an 'accounting estimate'. As per the amendment, accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty.

The amendment had no impact on the Company's financial statements.

c) Ind AS 12, Income Taxes: The amendment specifies that deferred tax liability or asset is not required to be recognised at the time of transactions that does not give rise to equal taxable and deductible temporary differences.

The amendment had no impact on the Company's financial statements.

d) Other Consequential amendments: On account of the amendment to Ind AS 1, consequential amendment have been made in Ind AS 107, Financial Instrument Disclosures and Ind AS 34, Interim Financial Reporting. On account of the amendment to Ind AS 12, consequential amendments have been made in Ind AS 101, First-time Adoption of Indian Accounting Standards.

Paranjape Spaces and Services Private Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 3 - Property, Plant and Equipment

(In Millions)

Particulars	Plant and Equipment	Furniture and Fixtures	Computers	Total
Gross block				
Balance as at April 1, 2022	**-**	**-**	**-**	**-**
Additions	0.87	6.05	0.12	**7.04**
Disposals	-	0.01	-	**0.01**
Balance as at March 31, 2023	**0.87**	**6.04**	**0.12**	**7.03**
Additions	0.06	-	0.81	**0.87**
Disposals	-	-	-	**-**
Balance as at March 31, 2024	**0.93**	**6.04**	**0.93**	**7.90**
Accumulated depreciation				
Balance as at April 1, 2022	**-**	**-**	**-**	**-**
Depreciation	0.05	1.16	0.01	**1.22**
On disposal	-	0.00	-	**0.00**
Balance as at March 31, 2023	**0.05**	**1.16**	**0.01**	**1.22**
Depreciation	0.37	2.58	0.36	**3.31**
On disposal	-	-	-	**-**
Balance as at March 31, 2024	**0.42**	**3.74**	**0.37**	**4.53**
Net block				
Balance as at March 31, 2023	**0.82**	**4.88**	**0.11**	**5.81**
Balance as at March 31, 2024	**0.51**	**2.30**	**0.56**	**3.37**

* The amount mentioned is less than a million i.e INR 4,600/-

Paranjape Spaces and Services Private Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 4 - Other financial assets - non current

(In Millions)

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good, unless otherwise stated)		
Receivable from a related party under capital reorganisation (refer note 31)	7.18	7.18
Total	**7.18**	**7.18**

Refer note 36 for information on credit risk

Note 5 - Other non-current assets

(In Millions)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance tax	4.24	0.64
Total	**4.24**	**0.64**

Note 6 - Inventories (valued at cost or net realisable value, which ever is lower)

(In Millions)

Particulars	As at March 31, 2024	As at March 31, 2023
Construction materials	1.62	1.90
Land and development rights	1,705.78	903.49
Construction work-in-progress	981.81	675.62
Total	**2,689.21**	**1,581.01**

Note 7 - Cash and cash equivalents

(In Millions)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	0.15	0.11
Balances with banks:		
In current accounts *	100.42	236.95
Total	**100.57**	**237.06**

Refer note 36 for information on credit risk

* Out of the cash and cash equivalents as at March 31, 2024, the Company can utilise ₹33.14 million (Previous year: ₹ 1.60 million) only towards ongoing projects in accordance with Real Estate (Regulation and Development) Act, 2016.

Paranjape Spaces and Services Private Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS
Note 8 - Bank balances other than cash and cash equivalents

(In Millions)

Particulars	**As at March 31, 2024**	**As at March 31, 2023**
Deposit with banks with original maturity of more than 3 months but less than 12 months *	163.60	154.50
Total	**163.60**	**154.50**

Refer note 36 for information on credit risk

*Margin money against bank guarantee and overdraft facility aggregating to ₹163.60 million (Previous year: ₹154.50 million)

Note 9 - Other financial assets - Current

(In Millions)

Particulars	**As at March 31, 2024**	**As at March 31, 2023**
Interest accrued on bank deposits	6.76	5.72
Guarantee commission (refer note 31)	-	13.32
Total	**6.76**	**19.04**

Refer note 36 for information on credit risk

Corporate guarantee given:

As the Company is engaged in the business of providing infrastructure facilities, the provisions (including disclosure requirements) of Section 186 of the Companies Act, 2013 with respect to loans made, guarantee given or security provided, are not applicable to the Company.

Note 10 - Other current assets

(In Millions)

Particulars	**As at March 31, 2024**	**As at March 31, 2023**
Advance to suppliers	7.84	2.80
Prepaid Expenses	2.07	-
Total	**9.91**	**2.80**

Paranjape Spaces and Services Private Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 11.1 - Equity Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount in ₹ million	Number of shares	Amount in ₹ million
(a) Authorized share capital				
Equity shares of par value of ₹10 each	50,000	0.50	50,000	0.50
Total	**50,000**	**0.50**	**50,000**	**0.50**
(b) Issued, subscribed and fully paid up				
Equity shares of par value of ₹10 each	10,000	0.10	10,000	0.10
Total	**10,000**	**0.10**	**10,000**	**0.10**

(A) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount in ₹ million	Number of shares	Amount in ₹ million
Equity shares outstanding at the beginning of the year	10,000	0.10	10,000	0.10
Add: Issued during the year	-	-	-	-
Equity shares outstanding at the end of the year	**10,000**	**0.10**	**10,000**	**0.10**

(B) Rights, preferences and restrictions attached to each class of shares;

Equity shares : The Company has one class of equity shares having par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. As at March 31, 2024, the Company has not declared any dividend.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the shareholding.

(C) Details of shareholders holding more than 5% equity shares in the Company

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding	Number of shares held	% holding
Paranjape Schemes (Construction) Limited and its nominee*	10,000	100%	10,000	100%

*One share held by promoter individual as nominee of holding company

(D) Details of equity shares held by promoters

Promoter name	As at March 31, 2024		As at March 31, 2023		% Change during the year
	Number of shares held	% of total shares	Number of shares held	% of total shares	
Paranjape Schemes (Construction) Limited and its nominee	10,000	100%	10,000	100%	No change

(E) The Company has not issued any bonus shares or shares for consideration other than cash nor has there been any buyback of shares during five years immediately preceding March 31, 2024.

Note 11.2 - Other equity

(In Millions)

Particulars	As at March 31, 2024	As at March 31, 2023
Reserves and Surplus		
Retained earnings	(89.84)	6.03
Capital reorganisation adjustment reserve	(89.16)	(89.16)
Total	**(179.00)**	**(83.13)**

A) Retained earnings

(In Millions)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance in the beginning of the year	6.03	(0.05)
Loss for the year	(95.13)	6.08
Other Comprehensive loss	(0.74)	-
Balance at the end of the year	**(89.84)**	**6.03**

B) Capital reorganisation adjustment reserve

(In Millions)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance in the beginning of the year	(89.16)	(89.16)
Changes for the year	-	-
Balance at the end of the year	**(89.16)**	**(89.16)**

Note 12 - Non-current borrowings

(In Millions)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured - measured at amortised cost:		
15% secured, cumulative, redeemable, non-convertible debentures 910 debentures (listed 650 and unlisted 260) (Previous year: 910 debentures)	904.06	904.06
Total	**904.06**	**904.06**

Note:

The Company has raised funds through issue of 910 debentures having par value ₹10 lakhs each aggregating to ₹910 million during the previous year which has been recorded net of transaction costs. These debentures are repayable by way of bullet payment on maturity in July 2026 and carry a coupon of 15%, payable on when able basis, with guaranteed XIRR of 21% on or before the due date. The debentures are secured by exclusive charge on the project 'Teacher's colony', land and development rights, hypothecation over project specific receivables, personal guarantee of promoters, corporate guarantee by holding company and pledge over shares of the Company.

Interest accrued but not due on debentures is shown under other non-current financial liabilities.

Refer note 36 for information on liquidity risk

Note 13 - Other financial liabilities - non-current

(In Millions)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
Interest accrued but not due on debentures (refer note 12)	257.78	103.73
Total	**257.78**	**103.73**

Refer note 36 for information on liquidity risk

Note 14 - Provisions - non-current

(In Millions)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
(i) Gratuity (Refer note 34)	1.57	-
(ii) Compensated Absences (Refer note 34)	0.26	-
Total	**1.83**	**-**

Note 15 - Current borrowings

(In Millions)

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured		
Loan from related party (Refer note 31)	703.76	328.35
Total	**703.76**	**328.35**

Note:

The Company has obtained interest free loan from holding company, Paranjape Schemes (Construction) Limited, for working capital purpose which is repayable on demand.

Reconciliation of non-cash and cash flow changes in financing activities *(In Millions)*

	Cash and cash equivalents	Non-convertible debentures	Borrowings	Total
Net debt as at 1 April 2022	**0.10**	**-**	**(214.30)**	**(214.20)**
Cash flows	236.96	(908.62)	(114.05)	(785.71)
Transaction cost paid	-	4.56	-	4.56
Interest expense (excluding other borrowing costs)	-	(103.73)	-	(103.73)
Net debt as at 31 March 2023	**237.06**	**(1,007.79)**	**(328.35)**	**(1,099.08)**
Cash flows	(136.49)	60.00	(375.41)	(451.90)
Interest expense (excluding other borrowing costs)	-	(214.05)	-	(214.05)
Net debt as at 31 March 2024	**100.57**	**(1,161.84)**	**(703.76)**	**(1,765.03)**

Refer note 36 for information on liquidity risk

Paranjape Spaces and Services Private Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS
Note 16 - Other financial liabilities: current

(In Millions)

Particulars	As at March 31, 2024	As at March 31, 2023
Payable to related parties (refer note 31)	35.64	29.88
Total	**35.64**	**29.88**

Refer note 36 for information on liquidity risk

Note 17 - Other current liabilities

(In Millions)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance receivd from customers	435.03	1.36
Unearned Revenue	406.66	484.63
Statutory dues payable	5.74	0.80
Total	**847.43**	**486.79**

Note 18 - Provisions - Current

(In Millions)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
(i) Gratuity (Refer note 34)	0.50	-
(ii) Compensated Absences (Refer note 34)	0.04	-
Total	**0.54**	**-**

Paranjape Spaces and Services Private Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 19 - Trade payables

(In Millions)

Particulars	As at March 31, 2024	As at March 31, 2023
Non-Current		
A.Total outstanding dues of micro enterprises and small enterprises	-	-
B.Total outstanding dues of creditors other than micro enterprises and small enterprises	-	107.71
Total	**-**	**107.71**
Current		
A.Total outstanding dues of micro enterprises and small enterprises	4.93	-
B.Total outstanding dues of creditors other than micro enterprises and small enterprises	407.77	130.81
Total	**412.70**	**130.81**

Refer note 36 for information on liquidity risk

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

(In Millions)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) The principal amount remaining unpaid to any supplier at the end of the year	4.93	-
(b) Interest accrued and due to suppliers remaining unpaid to any supplier at the end of the year	0.02	-
Total	**4.95**	**-**
(b) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006);	-	-
(d) The amount of interest accrued and remaining unpaid at the end of accounting year; and	0.02	-
(e) The amount of further interest remaining due and payable even in the succeeding year, 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 of MSMED Act 2006.	-	-

Disclosure of payable to vendors as defined under the MSMED Act is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.

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Paranjape Spaces and Services Private Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

Trade payables ageing schedule as at March 31, 2024

Non-current *(In Millions)*

As at March 31, 2024	Outstanding for following periods from the date of transaction					
Particulars	Payables not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed - total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Disputed – total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iii) Undisputed - total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed - total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

Current *(In Millions)*

As at March 31, 2024	Outstanding for following periods from the date of transaction					
Particulars	Payables not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed - total outstanding dues of micro enterprises and small enterprises	0.54	4.39	-	-	-	4.93
(ii) Disputed – total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iii) Undisputed - total outstanding dues of creditors other than micro enterprises and small enterprises	95.96	221.71	90.10	-	-	407.77
(iv) Disputed - total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**96.50**	**226.10**	**90.10**	**-**	**-**	**412.70**

Trade payables ageing schedule as at March 31, 2023

Non-current *(In Millions)*

As at March 31, 2023	Outstanding for following periods from the date of transaction					
Particulars	Payables not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed - total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Disputed – total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iii) Undisputed - total outstanding dues of creditors other than micro enterprises and small enterprises	107.71	-	-	-	-	107.71
(iv) Disputed - total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**107.71**	**-**	**-**	**-**	**-**	**107.71**

Current *(In Millions)*

As at March 31, 2023	Outstanding for following periods from the date of transaction					
Particulars	Payables not due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed - total outstanding dues of micro enterprises and small enterprises*	-	0.00	-	-	-	0.00
(ii) Disputed – total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iii) Undisputed - total outstanding dues of creditors other than micro enterprises and small enterprises	50.33	45.41	-	-	35.07	130.81
(iv) Disputed - total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**50.33**	**45.41**	**-**	**-**	**35.07**	**130.81**

* The amount mentioned is less than a million i.e INR 2,815/-

Paranjape Spaces and Services Private Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 20 - Revenue from Operations

(In Millions)

Particulars	Year Ended March 31, 2024	Year Ended March 31,2023
Sale of Services		
Income from contractual activity	77.97	67.51
Total	**77.97**	**67.51**

The table below presents disaggregated revenues based on timing of revenue recognition

(In Millions)

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2024
Revenue recognised at a point in time	-	-
Revenue recognised over the period of time	77.97	67.51
Total	**77.97**	**67.51**

Note 21 - Other income

(In Millions)

Particulars	Year Ended March 31, 2024	Year Ended March 31,2023
(a) Interest income on financial assets measured at amortised cost:		
(i) On Inter Corporate Deposits	0.55	-
(ii) Interest on bank deposits	11.27	6.36
(b) Miscellaneous Income	0.06	-
(c) Commission income on corporate guarantee (Refer note 30)	-	13.32
Total	**11.88**	**19.68**

Note 22 - Cost of construction and development

(In Millions)

Particulars	Year Ended March 31, 2024	Year Ended March 31,2023
Cost of construction materials consumed		
Opening balance	1.90	-
Add: Purchases during the year	67.91	11.58
Less: Closing balance	1.62	1.90
Sub-total	**68.19**	**9.68**
Land and development rights	704.82	205.71
Liaisoning and approval cost	27.30	78.51
Construction cost	378.06	734.35
Total	**1,178.37**	**1,028.25**

Note 23 - Changes in inventories of work-in-progress

(In Millions)

Particulars	Year Ended March 31, 2024	Year Ended March 31,2023
At the beginning of the year		
Work-in-progress (including land and development rights)	1,581.01	613.52
Less: At the end of the year		
Work-in-progress (including land and development rights)	2,689.21	1,581.01
Total	**(1,108.20)**	**(967.49)**

Paranjape Spaces and Services Private Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 24- Employee benefits expense

(In Millions)

Particulars	Year Ended March 31, 2024	Year Ended March 31,2023
Salaries and wages	3.61	1.95
Contributions to provident and other funds *(Refer Note 34)	2.07	0.05
Staff welfare expenses	0.69	0.07
Total	**6.37**	**2.07**

* Includes gratuity and compensated absences.

Note 25 - Finance cost

(In Millions)

Particulars	Year Ended March 31, 2024	Year Ended March 31,2023
Interest on borrowings	214.05	103.73
Less: Interest expense forming part of inventory	(214.05)	(103.73)
Interest on delayed payment of statutory dues and bank charges	0.12	4.07
Total	**0.12**	**4.07**

Note 26 - Depreciation and amortisation expenses

(In Millions)

Particulars	Year Ended March 31, 2024	Year Ended March 31,2023
Depreciation on property, plant and equipment (refer note 3)	3.31	1.22
Total	**3.31**	**1.22**

Note 27 - Other expenses

(In Millions)

Particulars	Year Ended March 31, 2024	Year Ended March 31,2023
Brokerage and Commission	28.87	-
Advertisement and business promotion expenses	42.96	7.18
Travel and conveyance	0.88	0.05
Printing and stationery	0.13	0.04
Payment to auditors		
- For statutory audit	1.30	1.00
Legal and professional charges	3.39	0.67
Rates and taxes	9.98	2.19
Miscellaneous expenses	17.24	2.12
Total	**104.75**	**13.25**

Paranjape Spaces and Services Private Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 28 - Income tax:

(In Millions)

Particulars	Year Ended March 31, 2024	Year Ended March 31,2023
(a) Tax expense / (credit) recognised in the statement of profit and loss		
Current tax	-	-
Deferred tax	0.26	(0.26)
Total tax expense / (credit), net, charged to Statement of Profit and Loss	**0.26**	**(0.26)**
(b) Numerical reconciliation between average effective tax rate and applicable tax rate :		
(Loss)/ profit before tax	(94.87)	5.82
Effective tax rate	25.17%	25.17%
Expected income tax expense / (credit) at the enacted rate of 25.17% (31 March 2023: 25.17%)	(23.88)	1.46
Tax effect of :		
Unabsorbed losses	23.88	-
Other adjustment	0.26	(1.72)
Total tax expense / (credit) charged to Statement of Profit and Loss	**0.26**	**(0.26)**
(c) Amounts on which deferred tax asset has not been created:		
Business losses	23.88	-
Total	**23.88**	**-**

(In Millions)

(d) Movement in deferred tax	**As at 31 March 24**	**Changes recognised in Statement of Profit and Loss**	**As at 31 March 23**
Deferred tax assets on account of :			
Unabsorbed losses	-	(0.24)	0.24
Others	-	(0.02)	0.02
Total	**-**	**(0.26)**	**0.26**

Paranjape Spaces and Services Private Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 29 - Earnings per share

(In Millions, unless otherwise stated)

Particulars	Year Ended March 31, 2024	Year Ended March 31,2023
Basic and Diluted		
Net loss/ (profit) after tax for the year attributable to the equity	(95.13)	6.08
Weighted average number of equity shares	10,000.00	10,000.00
Earnings per share - basic and diluted (amount in ₹)	(9,512.62)	608.23
Par value per share (amount in ₹)	10.00	10.00

Note 30 - Contingent liabilities and commitments

(In Millions)

Particulars	As at March 31, 2024	As at March 31, 2023
Commitments		
i) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	134.28

Paranjape Spaces and Services Private Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 31 - Related party disclosures

As per Ind AS 24, 'Related Party Disclosures', disclosure of transactions with the related parties are given below:

I. Names of related parties and description of relationship with the Company	
Name of related parties	**Description of Relationship**
Paranjape Schemes (Construction) Limited	Holding Company
PSC Properties Private Limited	Fellow subsidiary
Peer Realty Private Limited	Fellow subsidiary
Paranjape Realty Spaces Private Limited	Entity over which key managerial personnel of holding company or their relatives have significant influence
Mr. Vikram Anand Godse (upto 1 May 2023)	Director
Mr. Sachin Bhalchandra Hirap	Director
Mr. Pushkar Pramod Apte	Director
Mr. Uttam Sambhaji Redkar	Director

II. Transactions during the year:

(In Millions)

Nature	**Name of the Company / Individual**	**Nature of transactions**	**Year Ended March 31, 2024**	**Year Ended March 31,2023**
Holding Company	Paranjape Schemes (Construction) Limited	Borrowings	375.41	114.05
		Reimbursement of expenses	56.23	23.56
		Purchase of Land	694.00	-
		Guarantee Commission	-	5.97
Fellow Subsidiary	PSC Properties Private Limited	Consideration paid under capital re-organisation	-	403.00
		Deposits received under capital re-organisation	-	6.92
		Reimbursement of expenses	-	6.32
		Corpus and shifting charges (included in inventory)	-	4.53
Fellow Subsidiary	Peer Realty Private Limited	Inter Corporate Deposit Given	6.00	-
		Interest Received on Inter Inter Corporate Deposit	0.55	-
Entity over which key managerial personnel of holding company or their relatives have significant influence	Paranjape Realty Spaces Private Limited	Guarantee Commission	-	7.35

III. Balances at the year end:

(In Millions)

Nature	**Name of the Company / Individual**	**Nature of balances**	**As at March 31, 2024**	**As at March 31, 2023**
Holding Company	Paranjape Schemes (Construction) Limited	Borrowings	703.76	328.35
		Payable towards reimbursement of expenses	29.57	23.56
		Purchase of Land	198.64	-
		Guarantee Commission	-	5.97
Fellow Subsidiary	PSC Properties Private Limited	Receivable under capital re-organisation	7.18	7.18
		Payable towards reimbursement of expenses	6.07	6.32
		Trade payables	-	4.53
Entity over which key managerial personnel of holding company or their relatives have significant influence	Paranjape Realty Spaces Private Limited	Guarantee Commission	-	7.35

Notes:

i) Corporate guarantees provided on behalf of related parties (refer note 9 and note 40) ***(In Millions)***

Particulars	**31 March 2024**	**31 March 2023**
a) Corporate Guarantee has been issued in favour of debenture trustee in respect of debentures issued by Paranjape Realty Spaces Private Limited	1,490.00	1,550.00
b) Corporate Guarantee has been issued in favour of debenture trustee in respect of debentures issued by Paranjape Schemes (Construction) Limited	703.83	1,200.00

(ii) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.
(iii) Related party relationship is as identified by the management and relied upon by the auditors.

Paranjape Spaces and Services Private Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 32 - Segment Reporting
The Company is engaged in a single operating segment i.e., development or redevelopment of residential real estate projects. The Company's chief operating decision maker monitors and reviews the operating result of the Company as a whole. Further, the Company operates only in India. Therefore, there are no reportable segments for the Company as per requirements of Ind AS 108 'Operating Segments'.

Note 33 - Capital management
The Company’s objectives when managing capital are to :
1. 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
2. Maintain an optimal capital structure to reduce the cost of capital.

(In Millions)

Particulars	As at March 31, 2024	As at March 31, 2023
Total debt (including interest accrued on borrowings)	1,865.60	1,336.14
Less: Cash and cash equivalent and bank balances other than cash and cash equivalents	264.17	391.56
Net debt	1,601.43	944.58
Total equity	(178.90)	(83.03)
Net debt-equity ratio (in times)	**(8.95)**	**(11.38)**
Changes in above ratio	**(2.43)**	**8.98**
Reasons	Refer Note (a)	Refer Note (b)

Note (a)
During the year, operations of the company have increased significantly. Majority of revenue is recognised at point in time. For project executed through redevelopment contract, revenue is recognised over a period of time. Cost incurred to complete the projects is capitalised in inventory. Due to these factors, total cost incurred is more than revenue which resulted into loss. Also during the year the Company has taken additional borrowing. Hence net debt- equity ratio has changed 2.43 times.

Note (b)
Debt of the Company has increased significantly due to issue of 910 debentures having par value ₹10 lakhs each aggregating to ₹910 million during the previous year. Hence net debt- equity ratio has increased by 8.98 times.

Note 34 - Defined contribution and benefits obligation:

Disclosures required under Indian Accounting Standard 19 on "Employee Benefits" as per Accounting Standards specified under Section 133 of the Act are as under:

I **<u>Defined Contribution Plans -</u>**

The Company has certain defined contribution plans. Contributions are made to provident fund for employees as per regulation. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan (provident fund) is ₹0.44 million (Previous year ₹0.05 million).

II **<u>Defined benefit Plans - Gratuity</u>**

The defined benefit plan comprises of Gratuity. The defined benefit plan is unfunded.

Under the plan, each employee is eligible for gratuity on completion of minimum five years of service at 15 days basic salary (last drawn basic salary) for each completed year of service.

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

Asset-Liability Mismatch Risk : Risk Which arises if there is mismatch in the duration of the assets relative to the liabilities. By matching duration with defined benefit liabilities , the compnay is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

Discount Rate Risk: Variotions in the dicount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined beefit liabilities .

Future Salary Escalation and inflation Risk: Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increase provided at management's discretion may lead to uncertainities in estimating this increasing risk .

Unfunded Plan Risk: This reprsent unmanaged risk and growing liability. There is an inherent risk here that the company may default on paying the benefits in adverse circumstances. Funding the plan removes volatility in company's financials and also benefit risk through return on the funds made available for the plan .

No other post-retirement benefits are provided to the employees.

In respect of the plan, the most recent acturial valuation of the plan assets and the present value of defined benefit obligation were carried out as at March 31, 2024 by Mr. Venkatakrishna Narayana, Ranadey Professional Services, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the Balance Sheet for the respective plans.

Changes in Present value of Projected Defined Benefit Obligation are as follows:

(In Millions)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	-	-
Current service cost	0.08	-
Interest cost	0.10	-
Expense on Transfer In / (out)	1.15	-
Benefits paid	-	-
Remeasurements on obligation: (Gains) / losses	0.74	-
Present value of defined benefit obligations at the end of the year	**2.07**	**-**

Expenses recognised in Statement of Profit and Loss in respect of these defined benefit plans are as follows:

(In Millions)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current service cost	0.08	-
Net Interest Expense	0.10	-
Transfer In / (out)	1.15	-
Components of defined benefit costs recognised in of Profit or Loss	**1.33**	**-**

Amounts recognised in Statement of Other Comprehensive Income (OCI) are as follows:

(₹In Millions)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening amount recognised in Other Comprehensive Income	-	-
Remeasurement for the year- Plan Assets	-	-
Remeasurement for the year- Defined obligations:		
Actuarial losses arising from changes in Demographic Assumptions	-	-
Actuarial Losses arising from changes in Financial Assumptions	0.03	-
Actuarial Losses arising from Experience Assumptions	0.71	-
Total Amount recognised in Other Comprehensive Income	**0.74**	**-**

The Current Service cost and the net interest expense for the year ended are included in the 'Employee Benefits expense' line item in the statement of profit and loss.
The remeasurement of the net defined liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

(In Millions)

Particulars	**As at March 31, 2024**	**As at March 31, 2023**
Fair value of plan assets	-	-
Less: Present value of defined benefit obligation	(2.07)	
Net liabilty recognised in the Balance Sheet	**(2.07)**	**-**

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	**Valuation as at**	
	Year ended March 31, 2024	**Year ended March 31, 2023**
Assumptions used to determine the benefit obligations :		
Discount Rate	7.20%	7.50%
Expected Return on Plan Assets	-	-
Expected Rate of Salary Increase	6.00%	6.00%
Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Attrition Rate	Age upto 30 years: 2% p.a. Age 31 - 40 years: 2% p.a. Age 41 - 50 years 2% p.a. Age above 50 years: 2% p.a.	Age upto 30 years: 2% p.a. Age 31 - 40 years: 2% p.a. Age 41 - 50 years 2% p.a. Age above 50 years: 2% p.a.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and attrition rate. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occuring at the end of the reporting period while holding all other assumptions constant.

1) Every 100 basis point increase / decrease in discount rate will change the gratuity benefit obligation to approximately ₹2.24 million / ₹1.92 million (previous year: NIL / NIL) respectively.

2) Every 100 basis point increase / decrease in salary increase rate will change the gratuity benefit obligation to approximately ₹1.93 million / ₹ 2.23 million (previous year: NIL / NIL) respectively.

3) Every 100 basis point increase / decrease in withdrawal rate will change the gratuity benefit obligation to approximately ₹2.06 million / ₹2.08 million (previous year: NIL / NIL) respectively.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.
There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Expected Benefit payments for the year ended

Particulars	***(In Millions)***
March 31, 2025	0.50
March 31, 2026	0.05
March 31, 2027	0.06
March 31, 2028	0.07
March 31, 2029	0.08
March 31, 2030 to March 31, 2034	2.90

Expected Employer Contribution for the year ended March 31, 2024 (₹): Nil

Weighted Average Duration of the Projected Benefit Obligation: 12.1 years.

III **<u>Other Employee Benefits - Compensated absences</u>**

The leave obligations cover the group’s liability for earned leave and is not funded.
The expense recognised during the period towards defined benefits plan (Compensated absences) is ₹0.30 million (Previous year: Nil).
Net benefit obligation for compensted absences outstanding at the end of the year is ₹0.30 Milllion (Previous year: Nil)

Note 35 - Fair value measurements

Financial instruments by category:

(In Millions)

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
FINANCIAL ASSETS						
Non - Current Assets						
(i) Other financial assets	-	-	7.18	-	-	7.18
Current Assets						
(i) Cash and cash equivalents	-	-	100.57	-	-	237.06
(ii) Bank balances other than cash and cash equivalents	-	-	163.60	-	-	154.50
(iii) Other financial assets	-	-	6.76	-	-	19.04
FINANCIAL LIABILITIES						
Non - Current Liabilities						
(i) Borrowings	-	-	904.06	-	-	904.06
(ii) Trade Payables	-	-	-	-	-	107.71
(iii) Other financial liabilities	-	-	257.78	-	-	103.73
Current Liabilities						
(i) Borrowings	-	-	703.76	-	-	328.35
(ii) Trade Payables	-	-	412.70	-	-	130.81
(iii) Other financial liabilities	-	-	35.64	-	-	29.88

I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount 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.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is as follows:
Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.
Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the- counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The Company has recognised all the financial instruments at amortised cost as at March 31, 2024.

Note 36 - Financial risk management

The Company is exposed primarily to credit, liquidity and interest rate risk which may adversely impact the fair value of its financial instrument. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board of Directors. The Company’s senior management oversees the management of these risks.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises from cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets as well as credit exposures to customers. The maximum exposure to credit risk is equal to the carrying value of the financial assets. Currently, Company does not generate operating revenue and hence, there is no trade receivables as at reporting date.

Other financial assets

The Company periodically monitors the recoverability and credit risks of its other financial assets. The Company evaluates 12 months expected credit losses for all the financial assets for which credit risk has not increased. In case credit risk has increased significantly, the Company considers lifetime expected credit losses for the purpose of impairment provisioning.

The credit risk for cash and cash equivalents, bank balances other than cash and cash equivalents is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – borrowings, trade payables and other financial liabilities.

The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Management monitors the Company’s net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity profile of financial liabilities

As at 31 March 2024	**On demand**	**Less than one year**	**One to five years**	**More than five years**	**Total**
Borrowings	703.76	-	904.06	-	**1,607.82**
Trade payables	-	322.60	90.10	-	**412.70**
Other financial liabilities	-	35.64	257.78	-	**293.42**

As at 31 March 2023	**On demand**	**Less than one year**	**One to five years**	**More than five years**	**Total**
Borrowings	328.35	-	904.06	-	**1,232.41**
Trade payables	-	130.81	107.71	-	**238.52**
Other financial liabilities	-	29.88	103.73	-	**133.61**

Market risk

Interest rate risk

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 exposure to the risk of changes in market interest rates relates primarily to the Company’s long-term debt obligations with floating interest rates. However, Company does not have debt obligation with variable interest rate.

Paranjape Spaces and Services Private Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 37 - Ratio analysis and its elements

Sr No.	Ratio	Particulars		Measure in times / percentage	31 March 2024		31 March 2023		31 March 2024	31 March 2023	Variation	Reason (If variation is more than 25%)
		Numerator	Denominator		Numerator	Denominator	Numerator	Denominator				
(a)	Current ratio	Current Asset	Current Liability	Times	2,970.05	2,000.07	1,994.41	975.83	1.48	2.04	(27.45%)	The decrease in ratio is on the account of increase of current liabilities. Increase in current borrowings and advances received from customers is leading to substantial increase in current liabilities.
(b)	Debt-equity ratio	Total debt = Current borrowings + long term borrowings	Total equity	Times	1,607.82	(178.90)	1,232.41	(83.03)	(8.99)	(14.84)	(39.49%)	The decrease in ratio is on account of increase in loss of the company as compared to the previous year.
(c)	Debt service coverage ratio	Earnings available for debt service = Net loss before taxes + Depreciation + finance cost	Debt Service = Interest cost + Principal repayments	Times	(91.44)	214.17	11.11	103.00	(0.43)	0.11	(481.82%)	The decrease in ratio is on account of decrease in earnings available for debt service.
(d)	Return on equity ratio	Net profit after taxes	Average shareholder's equity	Percentage	(95.13)	(130.96)	6.08	(86.07)	72.64%	-7.06%	80.00%	Increase in ratio is on the account of increase in loss and average equity over the period.
(e)	Inventory turnover ratio	Cost of goods sold = Cost of construction and development + changes in inventory	Average inventory = (Opening Inventory + Closing Inventory)/2	Times	70.17	2,135.11	60.76	1,887.77	0.03	0.04	(1.00%)	NA
(f)	Trade receivables turnover ratio	Net Credit Sales	Average trade receivables = (Opening Trade Receivables + Closing Trade Receivable)/2	Not applicable								
(g)	Trade payables turnover ratio	Net credit purchases	Average trade payables = (Opening Trade Payables + Closing Trade	Times	1,178.09	271.76	1,030.15	169.01	4.34	6.10	(28.85%)	Due to significant increase in operations ratio has been increased.
(h)	Net capital turnover ratio	Revenue from operations	Working capital	Times	77.97	969.98	67.51	1,018.58	0.08	0.07	14.29%	NA
(i)	Net profit ratio	Net profit	Net sales	Percentage	(95.13)	77.97	6.08	67.51	(122.00%)	9.00%	(1455.56%)	Due to significant increase in operations, expenses have been increased substantially which resulted into loss during the year.
(j)	Return on capital employed	Earnings before interest and taxes = Net loss before tax +interest	Capital Employed= Total equity + Total debt	Percentage	(94.75)	1,428.92	9.89	1,149.38	(6.63%)	0.87%	(8.00%)	NA
(k)	Return on investment	Earnings before interest and taxes = Net loss before tax +interest	Total assets	Percentage	(94.75)	2,984.84	9.89	2,008.30	(3.17%)	0.49%	(4.00%)	NA

Paranjape Spaces and Services Private Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

Note 38 - Assets mortgaged as security

The carrying amount of assets mortgaged as security are as under:

(In Millions)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
Non-current assets				
Property, Plant and Equipment (Refer note 3)	3.37	3.37	5.81	5.81
Financial assets (Refer note 4)	7.18	7.18	7.18	7.18
Other non-current assets (Refer note 5)	4.24	4.24	0.64	0.64
Current assets				
Inventory (Refer note 6)	2,689.21	2,689.21	1,581.01	1,581.01
Financial assets				
- Cash and cash equivalents (Refer note 7)	100.57	100.57	237.06	237.06
- Bank balances other than cash and cash equivalents (Refer note 8)	163.60	163.60	154.50	154.50
- Other financial assets (Refer note 9)	6.76	6.76	19.04	19.04
Other current assets (Refer note 10)	9.91	9.91	2.80	2.80

Under the terms of the Debenture trust deed, the Company has issued 910 (listed 650 and unlisted 260) secured, cumulative, redeemable, non convertible debentures. It is decided between the parties that the debentures outstandings shall be secured by way of first ranking exclusive charge over the hypothecated assets created by way of a hypothecation in favour of the debenture trustees acting for the benefit of the debenture holders.

Note 39 - Financial guarantee

The Company, on 8 September 2022, has issued a financial guarantee in the favour of Vistara ITCL (India) Limited (“Debenture Trustee”) in respect of the non-convertible debentures of Paranjape Realty Spaces Private Limited ('PRSPL' or the “Holding Company”) and optionally convertible debentures of Paranjape Schemes (Construction) Limited ('PSCL' or “Fellow Subsidiary”) ('PSCL' or ‘the Holding Subsidiary’) (PRSPL and PSCL together hereinafter referred to as “the Borrowers") amounting to INR 1,479.00 million and INR 703.83 million respectively along with interest accrued thereon. Pursuant to Debenture Trust Deeds entered between the Borrowers, Debenture Trustees and Ask Real Restate Special Opportunities Fund I and III (“Debenture-holders”), the maturity date of debentures was due on 29 September 2023, however the Borrowers made a default in the repayment of amount along with interest accrued thereon on the due date.

The Borrowers are in discussion with the Debenture holders for revision in the terms and conditions of the Debenture Trust Deed including extension of the due date of the repayment of amount payable to the Debenture holders. Pursuant to the default made by the Borrowers, the Company hasn’t received any notice from the Debenture Trustee to invoke financial guarantee furnished by the Company.

The Company’s management has estimated that the fair value of financial guarantee as Rs. Nil as at 31 March 2024 based on their assessment of the Company’s share in the total expected credit loss in cross–company guarantees arrangement with the understanding that the Borrowers would be able to satisfy the obligations under the Debenture Trust Deed basis other securities/properties pledged against the borrowings and no liability is likely to arise on the Company.

Note 40 - Restatement on account of prior period error

The Company entered into a redevelopment contract in the previous year with a housing society (''the Society''), wherein the Company is obligated to provide certain residential units to the society, in exchange for the land / development rights received as a non-cash consideration. In accordance with interpretation / guidance on 'non-cash consideration' under Ind AS 115, Revenue from Contract with Customers (‘Ind AS 115’), the said contract involves a distinct performance obligation towards providing construction service with respect to delivering to the Society constructed residential units in exchange of such land / development rights acquired . Revenue with respect to such units transferred to the Society should be recognised over period of time with corresponding cost of construction recognised in the Statement of Profit and Loss. Further, the consideration for such construction service should be accounted as Inventory on the project launch date representing acquired land / development rights. However, the Company did not recognize revenue relating to redevelop units and the corresponding impact in inventory for acquired land / development rights in the previous year. In accordance with principles of Ind AS 8: Accounting Policies, Changes in Accounting Estimates and Errors, the management has retrospectively restated the comparative information of previous year to rectify the aforementioned material prior period error.

The following table summarizes the aggregate effect of material adjustment made in the financial statements as at 31 March 2023 pursuant to correction of error:

Impact on Balance Sheet :

(In Millions)

Particulars	As at 31 March 2023		
	Before adjustment	**Restatement adjustment**	**Restated figures**
Assets :			
Inventory	1,089.63	491.38	1,581.01
Liabilities :			
Other current liabilities	2.16	484.63	486.79

Impact on statement of profit and loss for the year ended 31 March 2023:

(In Millions)

Particulars	For the year ended 31 March 2023		
	Before adjustment	**Restatement adjustment**	**Restated figures**
Revenue from operations	-	67.51	67.51
Cost of construction and development	-	60.76	60.76
Profit / (Loss) before tax	(0.93)	6.75	5.82

Note 41 - Audit Trail

The Ministry of Corporate Affairs (MCA) has issued a notification (Companies (Accounts) Amendment Rules, 2021) on 1st Apr 2021, which became effective from 1st April 2023, that every company which uses accounting software for maintaining its books of account shall use only the accounting software where there is a feature of recording audit trail of each and every transaction, and further creating an edit log of each change made to books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company currently uses Highrise application as their ERP which is an Off the shelf ERP designed for real estate business. The effectiveness of the audit trail feature in the said software is as mentioned below:

• Accounting software for maintaining books of account has the feature of recording audit trail edit log facility.
• Audit trail has been operated throughout the year for all transactions recorded in the accounting software used for maintenance of books of account except for any changes made to master data which is maintained centrally for entire group. A separate feature recording transaction level log for all the financial transactions across modules was active throughout the year which suffices the existence of audit trail in terms of who, when and what.
• Referring to ICAI guidelines, database level audit trail is recommended which is not enabled during the current financial year.
• There was no tampering to the audit trail feature throughout the year.
• Audit trail has been preserved by the Company as per statutory requirements for record retention.

Note 42 - Corporate Social Responsibility
The provisions of CSR are not applicable to the Company as per section 135 of the Companies Act, 2013.

Note 43 - Other information
1. The company does not have any immovable properties whose title deeds are not held in the name of the company as at March 31, 2024 and March 31, 2023.

2. The Company does not have any investment property as at March 31, 2024 and March 31, 2023. Therefore, the Company is not required to disclose the fair value of investment property based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.

3. The Company has not revalued its Property, Plant and Equipment as at March 31, 2024 and March 31, 2023.

4. The Company does not have any intangible assets as at March 31, 2024. Therefore, the Company has not revalued its intangible assets.

5. The Company has not granted any loans repayable on demand or without specifying any terms or period of repayment to promoters, directors, KMPs and the related parties as at March 31, 2024 and March 31, 2023.

6. The Company does not have any Capital-Work-in progress (CWIP) as at March 31, 2024 and March 31, 2023.

7. The Company does not have any intangible assets under development as at March 31, 2024 and March 31, 2023.

8. The Company has not traded or invested in crypto currency or virtual currency during the financial year.

9. The Company does not have any Benami Property, where any proceeding has been initiated or pending against the Company for holding any Benami Property as at March 31, 2024 and March 31, 2023.

10. The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.

11. The Company does not have any transacions with companies struck off as at and for the year ended 31 March 2024 and 31 March 2023.

12. The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

13. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

14. The Company does not have any Scheme of Arrangements as at March 31, 2024 and March 31, 2023.

15. No funds have been advanced or loaned or invested by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

16. No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the 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.

17. The Company does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year 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).

18. The Company is not required to submit quarterly statements carrying financial information to the banks or financial institution for the years ended March 31, 2024 and March 31, 2023.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

For and on behalf of the Board of Directors
Paranjape Spaces And Services Private Limited

Sd/-
Shashi Tadwalkar
Partner
Membership no.: 101797
Place: Pune
Date : July 15, 2024

Sd/-
Sachin B. Hirap
Director
DIN No: 00132493
Place: Pune
Date : July 15, 2024

Sd/-
Uttam S. Redkar
Director
DIN No: 00132500
Place: Pune
Date : July 15, 2024

Sd/-
Mahesh Singhi
Company Secretary
M.No: F7066
Place: Pune
Date : July 15, 2024