

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF  
PKBK BUILDCON PRIVATE LIMITED**

**Report on the Audit of the Standalone Financial Statements**

**Qualified Opinion**

1. We have audited the accompanying standalone financial statements of **PKBK BUILDWELL PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2022, the Statement of Profit and Loss, the Statement of Cash Flows and notes to the financial statements for the year then ended on that date, including a summary of significant accounting policies and other explanatory information (herein after referred to as "Standalone Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us and except for the possible effects of the matters described in the "Basis for Qualified Opinion" paragraph below, 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 accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2022, of Losses and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

3. Agreement/documents relating to advance against land (refer note C xvi of financial statement) amounting Rs. 41,53,000/- is not available with the Company and various legal matters (refer note-C vii to C xv of financial statement) pending with different court/authorities.
4. In our opinion the Company should make a full provision of Rs.41,53,000/-, increasing loss before taxation for the year and net assets at 31st March 2022 by that amount and the financial impact on account of note C vii to C xv of financial statement is not ascertain as of now.
5. The Company has failed to hold Annual General meeting (AGM) that was due on or before 30th September 2022, pursuant to section 96 of The Companies Act, 2013, to transact the agenda including approval of accounts for the year ended 31st March 2022. The Company has not applied for the extension of AGM. The said AGM has not yet been held as of date. However, in view of the fact that audit had been conducted by us for the financial year 2019-2020, 2020-2021 and also report was issued by us on the accounts duly approved by the board and signed by the directors, we had proceeded with the audit engagement of the subsequent year i.e., FY 2021-2022 taking the opening balance from the audited balance sheet as on 31st March 2021. The Approved financial statement by the board of directors was made available to us for our audit now, consequently the delayed approval of accounts leads to non-compliances of statutory obligation under various law and will attract non compliances provision/penalties and late fees wherever applicable as applicable under the respective laws.





6. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other Information**

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis; Board's Report including Annexures to Board Report but does not include the standalone financial statements and our auditor's report thereon. The aforesaid documents are expected to be made available to us after the date of this auditor's report.
8. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.
9. In connection with our audit of the standalone financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.
10. When we read the aforesaid documents, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### **Management's Responsibility for the Standalone Financial Statements**

11. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
12. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going





concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

13. The Board of Directors are also responsible for overseeing the company's financial reporting process.

#### **Auditor's Responsibility for the Audit of the Financial Statements**

14. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
15. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We are also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
16. 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.





17. 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.
18. 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 matters or when 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.
19. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

#### **Report on Other Legal and Regulatory Requirements**

20. Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of subsection (11) of section 143 of the Act is not applicable on the Company.
21. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) The matters described in the Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
  - (f) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:



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

- a. The Company has disclosed various legal cases/matters as per Note No. C vii to C xv, the impact of pending litigations on its financial position in its financial statements is not ascertain as of now. – Refer Note of the standalone financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

Place: New Delhi  
Date: 06.12.2023

For Suresh C Gupta & Associates,  
Chartered Accountants  
(Registration number: 004886N)

  
Pawan Gupta  
Partner

Membership Number- 087852  
UDIN: 23087852BGSPEO1964



**PKBK BUILDWELL PRIVATE LIMITED**  
**Balance Sheet As At March 31st, 2022**

Regd Office : 14/185-14/186 Ground floor, Malviya Nagar ,Main Shivalik Road New Delhi-110017  
 CIN : U70101DL2005PTC135706

Particulars	Note No.	As at 31.03.2022(Rs. in Thousand)	As at 31.03.2021(Rs. in Thousand)
1	2	3	4
<b>I. ASSETS</b>			
<b>1 Non-current assets</b>			
<b>Financial Assets</b>			
(a) Loans	1	2,076.50	4,153.00
<b>Total Non-current Assets</b>		<b>2,076.50</b>	<b>4,153.00</b>
<b>2 Current assets</b>			
(a) Inventories	2	325,481.68	325,481.68
(b) Financial Assets			
(i) Cash and cash equivalents	3	530.13	530.25
(c) Other current assets	4	150.00	150.00
<b>Total Current Assets</b>		<b>326,161.81</b>	<b>326,161.93</b>
<b>Total Current Assets</b>		<b>328,238.31</b>	<b>330,314.93</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity Share capital	5	500.00	500.00
(b) Other Equity	6	(2,345.26)	(163.77)
<b>Total Equity</b>		<b>(1,845.26)</b>	<b>336.23</b>
<b>Liabilities</b>			
<b>2 Non-current liabilities</b>			
(a) Other Long term liabilities	7	904.94	840.00
<b>Total non-current liabilities</b>		<b>904.94</b>	<b>840.00</b>
<b>3 Current liabilities</b>			
(a) Financial Liabilities			
(b) Other current liabilities	8	329,178.63	329,138.70
<b>Total current Liabilities</b>		<b>329,178.63</b>	<b>329,138.70</b>
<b>Total liabilities</b>		<b>330,083.57</b>	<b>329,978.70</b>
<b>Total Equity &amp; Liabilities</b>	<b>TOTAL</b>	<b>328,238.31</b>	<b>330,314.93</b>
		-	-

As per our report of even date attached.  
 for Suresh C. Gupta & Associates  
 FRN No 004886N  
 Chartered Accountants

  
**Pawan Gupta**  
 Partner  
 Membership No.087852  
 Place: New Delhi  
 Date: 06-12-2023

UDIN:- 23087852BGSPE01964

For & on behalf of the Board of Directors  
 PKBK BUILDWELL PRIVATE LIMITED

  
**Rakesh Sharma**  
 Director  
 DIN 0386926

  
**Inder Preet Singh**  
 Director  
 DIN 08513823



**PKBK BUILDWELL PRIVATE LIMITED**

**Statement of Profit and Loss for the year ended March 31st, 2022**

Regd Office : 14/185-14/186 Ground floor, Malviya Nagar ,Main Shivalik Road New Delhi-110017

CIN : U70101DL2005PTC135706

Particulars		Refer Note No.	For the year ended 31.03.2022(Rs. in Thousand)	For the year ended 31.03.2021(Rs. in Thousand)
I.	<b>Other Income</b> Land holding charges		35.00	35.00
II.	<b>Total Revenue (I)</b>		<b>35.00</b>	<b>35.00</b>
III.	<b>Expenses:</b>			
	Changes in inventories of Work-in-Prog	9	-	-
	Finance cost		-	-
	Other expenses	10	2,216.49	19.35
IV.	<b>Total expenses</b>		<b>2,216.49</b>	<b>19.35</b>
V.	<b>Profit before exceptional and extraordinary items and tax (II-IV)</b>		(2,181.49)	15.65
VI.	Exceptional items		-	-
VII.	<b>Profit before extraordinary items and tax (V)</b>		(2,181.49)	15.65
VIII.	Extraordinary Items		-	-
IX.	<b>Profit before tax (VII- VIII)</b>		(2,181.49)	15.65
X.	Tax expense:			
	Current year		-	-
	Previous years		-	-
XI.	<b>Profit (Loss) for the period from continuing</b>		(2,181.49)	15.65
XII.	Profit/(loss) from discontinuing operations		-	-
XIII.	Tax expense of discontinuing operations		-	-
	<b>Profit/(loss) from Discontinuing operations</b>		-	-
XIV.	<b>Profit (Loss) for the period (XI + XIV)</b>		(2,181.49)	15.65
XV.	Earnings per equity share:			
XVI.	(1) Basic		(43.63)	0.31
	(2) Diluted		(43.63)	0.31
	<b>Significant Accounting Policies and other notes to the financial statement</b>	12		
	<b>The notes form an integral part of these Financial Statements</b>			

As per our report of even date attached.  
for Suresh C. Gupta & Associates  
FRN No 004886N  
Chartered Accountants

  
Pawan Gupta  
Partner  
Membership No. 087852  
Place: New Delhi  
Date: 06-12-2023  
UDIN: 23087852858E0964

For & on behalf of the Board of Directors  
PKBK BUILDWELL PRIVATE LIMITED

  
Rakesh Sharma  
Director  
DIN 0386926

  
Inder Preet Singh  
Director  
DIN 08513823





**PKBK BUILDWELL PRIVATE LIMITED**

**Notes to the Financial Statements**

**NON CURRENT ASSETS**

**FINANCIAL ASSETS**

Note No.	Particulars	As at 31.03.2022 (Rs. in Thousand)	As at 31.03.2021 (Rs. in Thousand)
1	<b>Loans</b>		
a	<b>Loans and advances</b>		
	Advance for Land (unsecured, considered doubtful)	4,153.00	4,153.00
	Less: provision for Doubtful	-2,076.50	0.00
		2,076.50	4,153.00

**CURRENT ASSETS**

Note No.	Particulars	As at 31.03.2022 (Rs. in Thousand)	As at 31.03.2021 (Rs. in Thousand)
2	<b>Inventories</b>		
a	Work In Progress		
	Land (including stamp duty and other incidental expenses)	325,481.68	325,481.68
	<b>Total</b>	325,481.68	325,481.68

**FINANCIAL ASSETS**

Note No.	Particulars	As at 31.03.2022 (Rs. in Thousand)	As at 31.03.2021 (Rs. in Thousand)
3	<b>Cash and cash equivalents</b>		
a	Balances with banks	525.67	525.79
b	Cash on hand	4.46	4.46
		530.13	530.25

Note No.	Particulars	As at 31.03.2022 (Rs. in Thousand)	As at 31.03.2021 (Rs. in Thousand)
4	<b>Other current assets</b>		
a	Advance payment of Income Tax	150.00	150.00
		150.00	150.00

**EQUITY**

Note No.	Particulars	As at 31.03.2022		As at 31.03.2021	
		Number	(Rs. in Thousand)	Number	(Rs. in Thousand)
5	<b>Share Capital</b>				
a	<b>Authorised</b>				
	Equity Shares of Rs.10/- each	50,000	500.00	50,000	500.00
b	<b>Issued</b>				
	Equity Shares of Rs.10/- each	50,000	500.00	50,000	500.00
c	<b>Subscribed &amp; fully Paid up</b>				
	Equity Shares of Rs.10/- each fully paid	50,000	500.00	50,000	500.00
	<b>Total</b>	50,000	500.00	50,000	500.00
d	<b>Equity Shares</b>				
	Shares outstanding at the beginning of the year	50,000	500.00	50,000	500.00
	Shares Issued during the year	0	0.00	0	0.00
	Shares bought back during the year	0	0.00	0	0.00
	Any other movement (please specify)	0	0.00	0	0.00
	Shares outstanding at the end of the year	50,000	500.00	50,000	500.00





c **Details of shareholders holding more than 5 % equity shares of the company :**

S. No.	Name of Shareholder	As at 31.03.2022		As at 31.03.2021	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Vipul SEZ Developers Pvt. Ltd.- Holding Co.(6 shares held through its	50,000	100	50,000	100

The company has one class of Equity Shares having a par value of Rs 10/-. Each shareholder is eligible for one vote per share held. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be to the number of equity shares held by the shareholders.

f **Details of promoters at the end of the year :**

S. No.	Promoter	Year	No. of Shares held	% of Holding	% of change during the
1	Vipul SEZ Developers Pvt. Ltd.- Holding Co.(6 shares held through its nominees)	As at 31.03.2022	50,000	100	Nil
		As at 31.03.2021	50,000	100	Nil

Particulars	As at 31.03.2022(Rs. in Thousand)	As at 31.03.2021(Rs. in Thousand)
<b>Reserves &amp; Surplus</b>		
a Opening balance	(163.77)	(179.42)
(+) Net Profit/(Net Loss) for the current year	(2,181.49)	15.65
Closing Balance	(2,345.26)	(163.77)
<b>Total</b>	(2,345.26)	(163.77)

**NON-CURRENT LIABILITIES**

Particulars	As at 31.03.2022(Rs. in Thousand)	As at 31.03.2021(Rs. in Thousand)
<b>Other financial Liabilities</b>		
a Income received in advance -From Vipul SEZ Developers Private Limited (100% holding company)	154.94	90.00
b <b>Loans and advances from related parties</b> From KST Buildwell Pvt Ltd (follow subsidiary com	750.00	750.00
<b>Total</b>	<b>904.94</b>	<b>840.00</b>

**CURRENT LIABILITIES**

Particulars	As at 31.03.2022(Rs. in Thousand)	As at 31.03.2021(Rs. in Thousand)
<b>Other Current Liabilities</b>		
a Project Advances Received -From Vipul SEZ Developers Private Limited (100% holding company)	329,024.50	329,024.50
b Others Payable (from Vipul Limited-Ultimate Holding Company)	4.74	4.74
c Due to Director	1.10	1.10
d Others Payable *	148.29	108.36
<b>Total</b>	<b>329,178.63</b>	<b>329,138.70</b>

\* Includes contractually reimbursable expenses payable, statutory dues etc.



Note No.	Particulars	As at 31.03.2022 (Rs. in Thousand)	As at 31.03.2021 (Rs. in Thousand)
9	<b>Changes in inventories ( Work-in-Progress)</b>		
	Opening Stock	325,481.68	325,481.68
	Less : Closing Stock	325,481.68	325,481.68
		-	-

Note No.	Particulars	For the year ended 31.03.2022 (Rs. in Thousand)	For the year ended 31.03.2021 (Rs. in Thousand)
10	<b>Other Expenses</b>		
a	Payments to the auditor as -Auditor	17.64	17.64
b	Filing Fees	101.90	-
c	Legal & Professional Charges	12.69	-
d	Courier Charges	-	-
e	Bank Charges	7.76	1.71
f	Provision for doubtful Advance for land	2,076.50	-
	<b>Total</b>	<b>2,216.49</b>	<b>19.35</b>

Note No.	Particulars
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**11 Significant Accounting Policies and other notes to the financial statement**

**a. Corporate Information**

PKBK Buildwell Private Limited (the Company) is a private limited company domiciled and incorporated in India under Companies Act, 1956. The registered office of the Company is situated at 14/185-14/186, Ground Floor, Malviya Nagar, Main Shivalik Road, New Delhi-110017.

The principle business activity of the company is Real Estate Development.

**b. Significant Accounting Policies**

**i. Basis of Accounting**

These standalone financial statements ("financial statements") of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the "Ind AS") as notified by Ministry of Corporate Affairs ("MCA") under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2013, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented.

**ii. Revenue Recognition**

Revenue is recognized as follows:

Profit on construction/development of properties is recognized according to percentage of completion method after making appropriate allowance for foreseeable loss, if any. However, no profit is booked in the accounts unless formal agreement to sell is made and in respect of partly completed projects until actual construction reaches 30% level.

Revenue in respect of other items is recognized on accrual basis.

**iii. Fixed Assets**

As there is no fixed assets in the company the disclosure of policy is not required.

**iv. Depreciation**

As there is no fixed assets in the company the disclosure of policy is not required.

**v. Inventories**

All expenses directly attributable to the projects are shown under the head "Inventory". Major costs related to the Inventory are land & other project related expenses.

Other inventories are carried at cost or net realizable value whichever is less.

**vi. Contingent Liabilities**

Contingent liabilities are not provided for in the books of account and are disclosed by way of note to the accounts, if any.

**vii. Taxes on Income**

Provision for Income Tax is made on the basis of the estimated taxable income for the Current Accounting period in accordance with the Income Tax Act, 1961.

Deferred Tax resulting from timing difference between booked and tax profit is accounted for under liability method, at the current rate of tax, to the extent that the timing differences are capable of reversal in one or more subsequent periods. Deferred Tax assets are not recognized on unabsorbed depreciation and carried forward of losses unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

**viii. Preliminary Expenses**

Preliminary expenses are amortized over a period of 5 years.

ix. The company takes a prudent approach to estimate the potential losses due to non payment of receivables or advances keeping in view the creditworthiness, historical data analysis and conservatism etc. Based on these factors used to identify the doubtful debts or advances and create provision based on the judgement on case to case basis.





**c Other notes to the financial statement**

- i The Note Nos 11(c)(iii), 11(c)(viii) to 11(c)(xvi) as given below are to be read in conjunction within terms of the Arbitral Award referred in Note No. 11(d)(vii).
- ii Contingent Liabilities not provided for  
Bank Guarantee of Rs. Nil (Previous Year Rs. Nil)
- iii Litigations  
Various legal proceedings were pending against the Company as on 31.03.2022 (refer Note Nos 11(c)(ix), 11(c)(x) & 11(c)(xi)) and quantification of liability in this regard cannot be determined as at 31.03.2022, and hence, no provision for the same has been made in the books of accounts
- iv Operating Cycle  
The company's normal operating cycle in respect of operations related to under construction real estate projects may vary from project to project depending upon the size of the project, type of development, project complexities and related approvals. Assets and liabilities have been classified into current and non current based on the operating cycle of respective projects.
- v As per information available with the company, there are no dues outstanding in respect Micro and Small enterprises as provided in the 'Micro, Small and Medium Enterprises Development Act, 2006' at the year end. Further, no interest during the year has been paid or payable in respect thereof. The parties have been identified based on the information available with the company and the same has been relied upon by the auditor.
- vi Realisable value of Current Assets  
In the opinion of the management, the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which these are stated in the Balance Sheet.
- vii Deferred Tax:-  
Deferred Tax asset on Unabsorbed losses have not been provided in view of no virtual certainty for future taxable income.
- viii Bank Guarantee facility of Rs 246,350 Thousand to Vipul SEZ Developers Pvt Ltd (Holding company) has been secured by way of equitable mortgage of 22.50 acres of land which includes 2.144 acres of company land (refer Note No 11(d)(vi) below on change in securities post balance sheet event). Notices were served for encashment of Bank Guarantees amounting to Rs.246,350 Thousand which Axis Bank Ltd has not encashed and is contesting on grounds that the encashment notices have been received after the expiry of Bank Guarantees.
- ix The financial Statements have been drawn without taking the effect of Memorandum of Understanding (MoU) executed on 13th September, 2008 amongst Joint Venture Partners and the Company, its holding company & other Land Owning Companies.  
M/s Solitaire Ventures Pte Ltd and M/s Solitaire Capital India terminated the MoU on 15.05.2015, post judgment of Delhi High Court dated 10.03.2015 which was challenged by the respondent parties in arbitration including the Company before Arbitral Tribunal & the matter was pending before Arbitral Tribunal for adjudication as at 31.03.2022.
- x Solitaire Capital India, A shareholder of Vipul SEZ Developers Pvt. Ltd. along with Solitaire Ventures Pte. Ltd moved the Hon'ble Supreme Court of India in terms of Section 11(5) and (6) of the Arbitration and Conciliation Act, 1996 and accordingly the Arbitral Tribunal stood constituted
- xi Solitaire Capital India, a shareholder of Vipul SEZ Developers Pvt. Ltd., along with Solitaire Ventures Pte. Ltd filed two petitions and Silverstone Developers Pvt Ltd filed a petition in Hon'ble Delhi High Court for seeking interim relief. An ex-parte order dated 3rd December, 2012 was passed by Hon'ble Delhi High Court. All three petitions were disposed off vide common judgement dated 10th March 2015 which shall remain operative till conclusion of Arbitral proceedings.
- xii A company petition was filed by Solitaire Capital India and Sanjiv Ahuja before National Company Law Tribunal, New Delhi regarding oppression and mismanagement on 03.06.2019 and the matter was pending as at 31.03.2022.
- xiii FIR No 40 of 2018 dated 10.03.2018 has been filed inter-alia against the Company at Economic Offences Wing of Delhi Police by Solitaire Capital India and Solitaire Ventures Pte Ltd. Further Notice dated 02.07.2018 has been issued by ECOW, Delhi to the Company in respect of investigation of FIR no 40 of 2018.
- xiv Complaint dated 29.10.2015 against the Company & Others has been filed with Serious fraud Investigation Office (SFIO), Ministry of Corporate Affairs by Solitaire Ventures Pte Ltd and Solitaire Capital India which was forwarded to the Company by MCA vide letter dated 22.07.2016.
- xv The company has neither recognized the revenue (as per Indian Accounting Standard-115) nor made adjustment in its inventory of land relating to the compulsory acquisition of the land by the Land Acquisition Collector, Haryana as per Notice no. 16317 and 16286 dated 21.10.2016 dt. 21st October 2016 which was pronounced on 9th December 2016 since there is no certainty in the near future of the realizability of the compensation of Rs. 221561.0 Thousand (approx.) plus interest, as stated by the competent authority due to various pending demands/litigations/ acquisition process etc. The Company has also filed the applications for enhanced Compensation before LAC.
- xvi Licenses no 9 of 2010 for Group Housing Development stood expired in January 2014 and the same also has been applied for renewal under the EDC relief policy for which there is no communication from DTCP till date
- xvii The agreements/documents regarding advance for land under Loan and advances amounting to Rs. 4,153.00 Thousand (Previous Year- Rs. 4,153.00 Thousand) are not available with the company and are considered doubtful and provision for doubtful of Rs.2076.50 Thousand (Previous Year- Rs. Nil) is made during the year.
- xviii The company assessed the credit risk associated with debts and advances and its impact on the financial position of the Company. The primary basis for expected credit loss ("ECL") determination is probability of non recovery of debt & advances due to enhanced credit risk. For the current financial year the company has identified the percentage of non recovery for the doubtful debt & advances as 50% and accordingly provision for ECL has been created.
- xix The company does not have any transaction with stuck off companies.





- xx There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, that has not been recorded in the books of accounts.
- xxi The company has not traded or invested in crypto currency or virtual currency during the current or previous year
- xxii The provision of Corporate Social Responsibility under Section 135 of the Companies Act, 2013 are not applicable to the company.
- xxiii The company has not been declared willful defaulter by any bank or financial institution or government or any government authority
- xxiv No proceedings have been initiated on or are pending against the company for holding Benami Property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and rules thereunder.
- xxv Previous year figures have been regrouped, rearranged and recasted wherever considered necessary.
- xxvi Additional information pursuant to part II of the schedule III of the Companies Act, 2013 to the extent not applicable is not furnished

**d. Post Balance Sheet Items**

- i Judgement dated 10th March 2015 referred in Note No 11(c)(xi) is to be read in conjunction with the Arbitral Award and effect, if any, required to be made in the financial statements of the Company in this respect shall be made in the financial year(s) of implementation of the Arbitral Award referred in Note no 11(d)(viii).
- ii The Company Petition referred in Note No 11(c)(xii) has been disposed off as withdrawn on 28th July 2023 and consequently the Appeals filed by the Company in Hon'ble Supreme Court have been disposed off as withdrawn on 8th August 2023 in terms of the Arbitral Award referred in Note no 11(d)(viii).
- iii In the FIR referred in Note No 11(c)(xiii), a withdrawal application has been filed on 5th August 2023 in terms of the Arbitral Award referred in Note No. 11(d)(viii).
- iv Mr. Sanjiv Ahuja, one of the Directors of the Company has raised certain objections and reservations for the financial years 2017-18 onwards resulted in his dissent on the annual accounts of the Company those years. Post closure of the financial year 2019-20, all Parties being shareholders/ stakeholders of Vipul SEZ Developers Pvt Ltd (holding company) have reached an amicable settlement culminating in passing of an Arbitral Award dated 12th May 2023 as stated in Note No 11(d)(viii) below. In terms of the award the relevant objections/ reservations raised by such nominee director on the Board of the Company on the date of relevant board meetings and relevant shareholders meetings for adoption and approval of the audited balance sheets shall stand withdrawn pursuant to the Arbitral Award.  
The financial effect (amount not ascertainable) of the Arbitral Award will be incorporated in the books of account of the company in the financial year(s) of implementation of the Arbitral Award.
- v Post Balance sheet date, the Company has executed a Sale Deed on 23rd October 2023 in respect of sale of 4.10 acres of land owned by the Company including Licensed land of 2.144 acres (part of License No 9 of 2010) in terms of the Arbitral Award referred in Note No. 11(d)(viii). the financial effect required to be made in the financial statements of the company in this respect shall be made in the financial year 2023-24.
- vi Post Balance sheet date, the holding company i.e. Vipul SEZ Developers Pvt Ltd, deposited the 100% cash margin in the form of fixed Deposits (including 15% Margin already deposited by it as security for the bank guarantees). In lieu thereof Axis bank has released the equitable mortgage of 22.50 acres of land including company land in terms of the Arbitral Award referred in Note No. 11(d)(viii).
- vii The Consent Award has been passed by the Hon'ble Arbitral Tribunal on 12th May, 2023 in the manner set out in the joint application. As set out in the joint application, all claims / counter claims, which are subject matter of the Arbitration, between the parties in arbitration (or even amongst certain parties inter-se) have been stand withdrawn on passing of the Consent award and "Consent Award" of the Arbitral Tribunal is be binding on the parties in accordance with the provisions of the Arbitration & Conciliation Act, 1996. In the matter of Arbitration between M/s. Solitaire Ventures Pte Ltd. & Ors as Claimants versus Vipul Limited & Ors. as Respondents referred in Note No 11(c)(viii), an Arbitral Award dated 12th May 2023 has been pronounced by the Hon'ble Arbitral Tribunal comprising of Justice A. K. Sikri (Presiding Arbitrator), Justice R. C. Chopra and Justice Reva Khetrapal on 14th May, 2023 ("Arbitral Award") pursuant to a joint application dated 07.04.2023 filed by the parties to Arbitration. In terms of the Arbitral Award, the Arbitral proceedings have been disposed off and all claims / counter claims, which are subject matter of the Arbitration, between the parties in arbitration (or even amongst certain parties inter-se) stand withdrawn and the said Arbitral Award is binding on the parties in accordance with the provisions of the Arbitration & Conciliation Act, 1996. The Arbitral Award is presently under implementation.  
The financial effect (amount not ascertainable) of the Arbitral Award will be incorporated in the books of account of the company in the financial year(s) of the Implementation of the Arbitral Award.





(Rs. in Thousand)

e. Related party transaction in terms of Accounting Standard- 18

Name of Related Party	Relationship	Nature of Transaction	Year	Opening Balance Dr/ (Cr)	Amount of transaction		Outstanding Amount at the end of Year Dr/(Cr)
					Debit	Credit	
Vipul Limited	Ultimate Holding Company	Project Advance	2021-22	(4.74)	-	-	(4.74)
			2020-21	(4.74)	-	-	(4.74)
Vipul SEZ Developers Pvt Ltd	Holding Company	Advance	2021-22	(329,024.50)	-	-	(329,024.50)
			2020-21	(329,024.50)	-	-	(329,024.50)
Vipul SEZ Developers Pvt Ltd	Holding Company	Land Holding charges	2021-22	(90.00)	35.00	93.54	(154.94)
			2020-21	(125.00)	35.00	-	(90.00)
KST Buildwell Pvt Ltd	Fellow Subsidiary	Trade payable	2021-22	(750.00)	-	-	(750.00)
			2020-21	(750.00)	-	-	(750.00)
Rakesh Sharma	Director	Other Current Liabilities	2021-22	(1.10)	-	-	(1.10)
			2020-21	(1.10)	-	-	(1.10)

f. Ratio analysis for the year ended

S.No.	Particulars	Numerator	Denominator	2021-22	2020-21	% of Variance	Remarks for variances
i	Current Ratio	Current Assets	Current Liabilities	1.00	1.00	100%	
ii	Debt Equity Ratio	Total Debt	Shareholders Equity	NA	NA	NA	
iii	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	NA	NA	NA	
iv	Return on Equity Ratio	Net Profit after Taxes-Preference Dividend (if any)	Average Shareholder's Equity	2.89	0.05	5967.09%	due to increase in ROC filing fee due to late filing and creation of provision for doubtful advances
v	Inventory Turnover Ratio	Cost of goods sold	Average inventory	NA	NA	NA	
vi	Trade Receivables Turnover Ratio	Net Credit Sales	Average Accounts Receivable	NA	NA	NA	
vii	Trade Payables Turnover Ratio	Net Credit Purchases	Average Trade Payables	NA	NA	NA	
viii	Net Capital Turnover Ratio	Net Sales	Working Capital	NA	NA	NA	
ix	Net Profit Ratio	Net Profit	Net Sales	NA	NA	NA	
x	Return on Capital Employed	Earnings before interest and taxes	Capital Employed	1.18	0.05	2439.91%	due to increase in ROC filing fee due to late filing and creation of provision for doubtful advances
xi	Return on Investment	Income generated from investment	Average Investment	NA	NA	NA	



9. Trade Receivable and Trade Payable Ageing Schedules

a. TRADE PAYABLE AGEING SCHEDULE

(Rs. in Thousands)

Particulars	Year	Outstanding for following periods from the due date of payment				Total
		Less than 1 year	1-3 years	2-3 years	More than 3 years	
Undisputed dues						
-MSME	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
-Others	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
Disputed dues						
-MSME	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
-Others	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-
Total	2021-22	-	-	-	-	-
	2020-21	-	-	-	-	-

b. TRADE RECEIVABLE AGEING SCHEDULE

(Rs. in Thousands)

Particulars	Year	Outstanding for following periods from the due date of payment					Total
		Less than 8 months	8 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivable							
- Considered good	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
- Considered doubtful	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
Disputed Trade Receivables							
- Considered good	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
- Considered doubtful	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-
Total	2021-22	-	-	-	-	-	-
	2020-21	-	-	-	-	-	-





# PKBK BUILDWELL PRIVATE LIMITED

## Cash Flow Statement

Particulars	For the year ended 31.03.2022(Rs. in Thousand)	For the year ended 31.03.2021(Rs. in Thousand)
<b>A. CASH FLOW FROM OPERATING ACTIVITY</b>		
Net Profit before Tax, appropriation, and extra-Ordinary items	(2,181.49)	15.65
Add: Provision for doubtful advance fo land	2,076.50	-
Interest and Finance Charges	-	-
Preliminary Expenses w/o	-	-
<b>Operating Profit before Working Capital Changes</b>	(104.99)	15.65
Adjusted for		
Tax Paid during the year	-	-
Current Assets decrease/(Increase)	-	-
Current & Non current Liabilities Increase/(Decrease)	104.87	(17.35)
Inventories Changes	-	-
<b>Cash generated from operation</b>	(0.12)	(1.70)
<b>NET CASH FROM OPERATING ACTIVITY</b>	(0.12)	(1.70)
<b>B. CASH FLOW FROM INVESTING ACTIVITY</b>		
<b>NET CASH FROM INVESTING ACTIVITY</b>	-	-
<b>C. CASH FLOW FINANCING ACTIVITY</b>		
Issue of Share Capital	-	-
Transfer of Preliminary Exps WIP	-	-
<b>NET CASH USED IN FINANCING ACTIVITY</b>	-	-
<b>Total ( A+B +C)</b>	(0.12)	(1.70)
Net (Decrease)/Increase In Cash And Cash Equivalents	(0.12)	(1.70)
Cash And Cash Equivalents ( Opening Balance)	530.25	531.95
Cash And Cash Equivalents ( Closing Balance)	530.13	530.25

As per our report of even date attached.

for Suresh C. Gupta & Associates

FRN No 004886N

Chartered Accountants

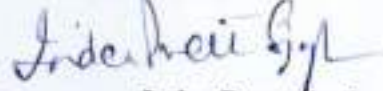
  
Pawan Gupta  
Partner  
Membership No. 087852  
Place: New Delhi

Date: 06-12-2023

UDIN: 23087852BGSSE01964

For & on behalf of the Board of Directors  
PKBK BUILDWELL PRIVATE LIMITED

  
Rakesh Sharma  
Director  
DIN 0386926

  
Inder Preet Singh  
Director  
DIN 08513823



**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022**

**A. Equity Share Capital**

Particulars	Balance as on 01.04.2020	Issued during the year	Balance as on 31.03.2021	Issued during the year	Balance as on 31.03.2022
Equity Share Capital	500	-	500	-	500

**A. Other equity**

Particulars	RESERVES & SURPLUS					TOTAL
	Capital Reserve	Securities Premium Reserve	General Reserves	Debenture Redemption Reserve	Retained Earnings	
Balance as on 01.04.2020					(137)	(137)
Net Profit/(Loss) for the year					16	16
Balance as on 31.03.2021					(121)	(121)
Net Profit/(Loss) for the year					(235)	(235)
Balance as on 31.03.2022					(356)	(356)

