

PARSVNATH BUILDWELL PRIVATE LIMITED
Balance Sheet as at 31 March, 2015

	Note No.	As at 31 March, 2015	As at 31 March, 2014
		₹	₹
EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	3	6,03,27,000	6,03,27,000
(b) Reserves and surplus	4	<u>1,04,35,82,992</u>	<u>1,03,89,74,618</u>
		1,10,39,09,992	1,09,93,01,618
2. Non-current liabilities			
Long-term borrowings	5	98,34,59,300	98,34,59,300
3. Current liabilities			
(a) Trade payables	6	5,34,15,842	6,20,92,180
(b) Other current liabilities	7	38,12,99,477	30,12,41,376
(c) Short-term provisions	8	<u>1,25,763</u>	<u>20,73,375</u>
		43,48,41,082	36,54,06,931
TOTAL		<u>2,52,22,10,374</u>	<u>2,44,81,67,849</u>
ASSETS			
1. Non-current assets			
(a) Fixed assets	9	7,38,365	4,35,948
(b) Non-current investments	10	1,00,000	1,00,000
(c) Deferred tax assets	11	-	9,500
(d) Other non-current assets	12	<u>2,83,047</u>	<u>2,50,000</u>
		11,21,412	7,95,448
2. Current assets			
(a) Inventories	13	1,27,09,56,727	1,18,37,57,128
(b) Trade receivables	14	18,46,739	73,16,746
(c) Cash and Cash equivalents	15	61,09,98,529	57,05,68,323
(d) Short-term loans and advances	16	59,06,23,654	64,06,15,804
(e) Other current assets	17	<u>4,66,63,313</u>	<u>4,51,14,400</u>
		2,52,10,88,962	2,44,73,72,401
TOTAL		<u>2,52,22,10,374</u>	<u>2,44,81,67,849</u>

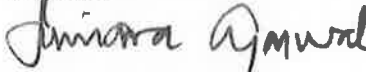
See accompanying notes forming part of the financial statements

1-33

For and on behalf of the Board of Directors

In terms of our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants


JITENDRA AGARWAL
Partner


Vivek Garg
Director
DIN: 01832495


Prakash Kalothia
Director
DIN: 00322856


Manoj Kumar Joshi
Company Secretary
Membership No. A23084

Place: New Delhi
Date: 16 May, 2015

Place: New Delhi
Date: 16 May, 2015

PARSVNATH BUILDWELL PRIVATE LIMITED
Statement of Profit and Loss for the year ended 31 March, 2015

	Note No.	Year ended 31 March, 2015	Year ended 31 March, 2014
		₹	₹
1. Revenue from operations	18	5,87,57,255	34,25,74,442
2. Other income	19	5,32,14,362	5,27,26,820
3. Total revenue (1+2)		11,19,71,617	39,53,01,262
4. Expenses			
(a) Cost of materials consumed	20	77,74,981	11,00,77,392
(b) Contract cost, labour and other charges		39,20,822	9,95,27,018
(c) Changes in inventories of work-in-progress	21	(2,10,23,012)	(5,83,77,127)
(d) Employee benefits expense	22	21,27,800	13,13,358
(e) Finance costs	23	9,16,67,607	9,58,73,447
(f) Depreciation for the year/(write back)	9	(8,717)	1,10,087
(g) Other expenses	24	1,68,90,229	11,94,38,548
Total expenses		10,13,49,710	36,79,62,723
5. Profit before tax (3-4)		1,06,21,907	2,73,38,539
6. Tax expense			
(a) Current tax		50,00,000	94,09,500
(b) Income tax adjustment for earlier years		10,13,534	-
(c) Deferred tax charge/(credit)	11	-	(9,500)
		60,13,534	94,00,000
7. Profit after tax (5-6)		46,08,373	1,79,38,539
8. Earnings per equity share [nominal value of share ₹ 10 each]	25		
(a) Basic		3.87	15.06
(b) Diluted		3.87	15.06

See accompanying notes forming part of the financial statements

In terms of our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants



JITENDRA AGARWAL
Partner

Place: New Delhi
Date: 16 May, 2015

1-33 **For and on behalf of the Board of Directors**


Vivek Garg
Director
DIN: 01832495


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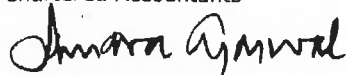
PARSVNATH BUILDWELL PRIVATE LIMITED
Cash Flow Statement for the year ended 31 March, 2015

	Year ended 31 March, 2015	Year ended 31 March, 2014
	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	1,06,21,907	2,73,38,539
Adjustments for :		
Depreciation	(8,717)	1,10,087
Finance costs	9,16,67,607	9,58,73,447
Interest income on deposits	(5,25,74,998)	(4,92,94,521)
Operating profit before working capital changes	4,97,05,800	7,40,27,552
Adjustments for :		
(Increase)/decrease in operating assets:		
Inventories	(2,10,23,012)	(5,83,77,127)
Trade receivables	54,70,007	1,25,25,580
Short-term loans and advances	4,99,92,151	37,46,987
Other current assets	(6,67,992)	(1,72,26,845)
Increase/(decrease) in operating liabilities:		
Trade payables	(86,76,338)	3,29,36,948
Other current liabilities	(3,00,06,372)	(48,24,458)
Cash generated from/(used in) operations	4,47,94,244	4,28,08,637
Net Income tax paid	(79,51,646)	(86,66,415)
Net cash flow from/(used in) operating activities (A)	3,68,42,598	3,41,42,222
B. CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	5,16,94,077	4,78,56,914
Decrease/(increase) in bank balances not considered as Cash and cash equivalents	55,19,42,435	(3,46,01,800)
Purchase of fixed assets	(2,93,700)	(5,46,034)
Net cash flow from/(used in) investing activities (B)	60,33,42,812	1,27,09,080
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance costs paid	(4,77,79,721)	(3,96,81,205)
Net cash flow from/(used in) financing activities (C)	(4,77,79,721)	(3,96,81,205)
D. Net increase/ (decrease) in cash and cash equivalents (A+B+C)	59,24,05,688	71,70,097
E. Cash and cash equivalents as at the beginning of the year	1,85,92,841	1,14,22,744
F. Cash and cash equivalents as at the end of the year	61,09,98,529	1,85,92,841
G. Components of cash and cash equivalents as at:		
Cash on hand	10,69,497	25,02,377
Balances with banks:		
in current accounts	2,98,58,389	1,60,90,464
in deposit accounts	58,00,70,643	-
Cash and cash equivalents as per cash flow statement	61,09,98,529	1,85,92,841
Deposits under lien	-	55,19,75,482
Cash and cash equivalents as per Balance Sheet (see note 15)	61,09,98,529	57,05,68,323

See accompanying notes forming part of the financial statements

In terms of our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants




JITENDRA AGARWAL
Partner

Place: New Delhi
Date: 16 May, 2015

For and on behalf of the Board of Directors


Vivek Garg
Director
DIN: 01832495


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Manoj Kumar Joshi
Company Secretary
Membership No. A23084

Place: New Delhi
Date: 16 May, 2015

PARSVNATH BUILDWELL PRIVATE LIMITED
Notes forming part of the financial statements

Note 1: Corporate information

Parsvnath Buildwell Private Limited was incorporated on 21 May, 2008 as Aadarshini Buildwell Private Limited. The name of the Company was subsequently changed with effect from 02 November, 2010. The Company was a subsidiary of Parasnath and Associates Private Limited (PAPL). Pursuant to Investment agreement dated 21 December, 2010 the Company made allotment of shares to Parsvnath Developers Limited (PDL) and two overseas investment entities and thereby ceased to be subsidiary of PAPL with effect from 7 January, 2011. Subsequently PDL acquired shares from PAPL increasing its voting rights in excess of 50%, consequently the Company became subsidiary of PDL with effect from 1 July, 2011 as per Accounting Standard AS-21.

The Company became subsidiary of Parsvnath Developers Limited with effect from September 12, 2013 pursuant to notification of new definition of subsidiary company under section 2(87) of the Companies Act, 2013.

The company is engaged in the business of promotion, construction and development of a residential project.

Note 2: Significant accounting policies

a. Basis of accounting

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year, except for change in accounting policy with respect to depreciation.

b. Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

c. Inventories

Inventory comprises property under construction (work-in-progress) and is valued at lower of cost and net realizable value. Cost includes land, development rights, material, services, overheads related to projects under construction and apportioned borrowing costs.

d. Cost of construction/development

Cost of Construction/Development of properties (including cost of land and development rights) incurred is charged to the statement of profit and loss proportionate to project area sold. Adjustments, if required, are made on completion of the respective projects.

e. Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



PARSVNATH BUILDWELL PRIVATE LIMITED
Notes forming part of the financial statements

f. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

g. Depreciation

i. Depreciation on tangible fixed assets has been provided on the straight line basis as per the useful life prescribed in Schedule II to the Companies Act, 2013. Accordingly the useful life of the assets taken is as under:

Plant and machinery	8 years
Office equipment	5 years

ii. Assets costing Rs. 5,000 or less individually are fully depreciated in the year of purchase.

h. Revenue Recognition

Revenue from sale of properties is recognised when the significant risk and rewards of ownership have been transferred to buyers. Revenue from real estate projects is recognised on the 'Percentage of Completion Method' of accounting. Revenue is recognized, in relation to the sold areas only, on the basis of percentage of actual cost incurred thereon including land as against the total estimated cost of the project under execution subject to such actual costs being 30% or more of the total estimated cost. The estimates of saleable area and costs are reviewed periodically by the management. The effect of such changes to estimates is recognised in the period such changes are determined.

i. Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive is established.

j. Investments

Investments intended to be held for more than a year are classified as long term investments. All other investments are classified as current investments. Long term investments are stated at cost less provision for diminution in value, if such diminution is other than temporary. Current investments are stated at lower of cost and fair value on an individual investment basis.

k. Unbilled Revenue

Unbilled revenue shown under 'Other current assets' represents revenue recognized based on 'Percentage of completion method' of accounting over and above the amount due as per payment plans with the customers.

l. Employee benefits

Short term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service.

L O V R

PARSVNATH BUILDWELL PRIVATE LIMITED
Notes forming part of the financial statements

The provisions of Gratuity Act, 1972 is not applicable to the Company and the Company has no policy for encashment/carry forward of compensated absences.

m. Borrowing costs

Borrowing costs include interest; and amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

n. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) 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 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. Dilutive potential equity shares are determined independently for each period presented.

o. Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961, and

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

p. Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier



PARSVNATH BUILDWELL PRIVATE LIMITED
Notes forming part of the financial statements

accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

q. Provisions and contingencies

Provision is recognised when an enterprise has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimate. Contingent Liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

r. Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

s. Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 48 months for the purpose of classification of its assets and liabilities as current and non-current.



PARSVNATH BUILDWELL PRIVATE LIMITED
Notes forming part of the financial statements

Note 3: Share capital

	As at 31 March, 2015		As at 31 March, 2014	
	Number	₹	Number	₹
i. Authorised				
(a) Equity shares of ₹ 10 each				
Class A with voting rights	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Class B without voting rights	1,00,000	10,00,000	1,00,000	10,00,000
Class C without voting rights	91,000	9,10,000	91,000	9,10,000
(b) Preference Shares of ₹ 100 each	4,84,170	4,84,17,000	4,84,170	4,84,17,000
	16,75,170	6,03,27,000	16,75,170	6,03,27,000
ii. Issued, subscribed and fully paid-up				
(a) Equity Shares of ₹ 10 each fully paid				
Class A with voting rights	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Class B without voting rights	1,00,000	10,00,000	1,00,000	10,00,000
Class C without voting rights	91,000	9,10,000	91,000	9,10,000
(b) 0.000001% optionally convertible Preference Shares of ₹ 100 each	4,84,170	4,84,17,000	4,84,170	4,84,17,000
	16,75,170	6,03,27,000	16,75,170	6,03,27,000
(a) Reconciliation of number and amount of shares outstanding as at the beginning and at the end of the year				
i. Equity shares				
Class A with voting rights				
(a) Outstanding at the beginning of the year	10,00,000	1,00,00,000	10,00,000	1,00,00,000
(b) Shares issued during the year	-	-	-	-
(c) Outstanding at the end of the year	<u>10,00,000</u>	<u>1,00,00,000</u>	<u>10,00,000</u>	<u>1,00,00,000</u>
Class B without voting rights				
(a) Outstanding at the beginning of the year	1,00,000	10,00,000	1,00,000	10,00,000
(b) Shares issued during the year	-	-	-	-
(c) Outstanding at the end of the year	<u>1,00,000</u>	<u>10,00,000</u>	<u>1,00,000</u>	<u>10,00,000</u>
Class C without voting rights				
(a) Outstanding at the beginning of the year	91,000	9,10,000	91,000	9,10,000
(b) Shares issued during the year	-	-	-	-
(c) Outstanding at the end of the year	<u>91,000</u>	<u>9,10,000</u>	<u>91,000</u>	<u>9,10,000</u>
ii. 0.000001% optionally convertible Preference shares				
(a) Outstanding at the beginning of the year	4,84,170	4,84,17,000	4,84,170	4,84,17,000
(b) Shares issued during the year	-	-	-	-
(c) Outstanding at the end of the year	<u>4,84,170</u>	<u>4,84,17,000</u>	<u>4,84,170</u>	<u>4,84,17,000</u>
(b) Rights, preferences and restrictions attached to equity/preference shares				
i.	Class A equity shares are entitled to <i>pari passu</i> voting rights i.e one vote per share. Shares are entitled for dividend in accordance with Investment agreement dated December 21, 2010.			
ii.	Class B equity shares are not entitled for any voting rights. Class B shares are entitled for dividend in preference to Class A Shares until the holders have received the aggregate return as provided in the Investment Agreement dated December 21, 2010.			
iii.	Class C equity shares are not entitled for any voting rights. Shares are entitled for dividend in accordance with Investment Agreement dated December 21, 2010			



PARSVNATH BUILDWELL PRIVATE LIMITED
Notes forming part of the financial statements

- iv. Preference shares have a preferential dividend rate of 0.000001%. Dividend is cumulative. Preference shares are convertible at the option of the holder at any time before the expiry of 20 years from the date of issue (issued on 7 January, 2011 and 26 May, 2011) into such number of fully paid Class C shares in the ratio and manner defined in the investment Agreement. In the event of Winding-up of the Company, each preference share would convert into one Class C equity share.

Preference shares shall mandatorily be redeemed by the Company on expiry of 20 years from the date of issue. Preference shares does not carry any voting rights.

(c) Shares held by the holding company and its associates

	<u>As at 31 March, 2015</u> Number	<u>As at 31 March, 2014</u> Number
i. Equity shares		
Class A		
Parsvnath Developers Limited, the holding company	5,01,000	5,01,000
Associates of the holding company	9,000	9,000
ii. 0.000001% optionally convertible Preference shares		
Parsvnath Developers Limited, the holding company	4,84,170	4,84,170

(d) Details of shares held by each shareholders holding more than 5% shares

	<u>As at 31 March, 2015</u>		<u>As at 31 March, 2014</u>	
	Number	% holding	Number	% holding
i. Equity shares				
Class A with voting rights				
(a) Parsvnath Developers Limited	5,01,000	50.10%	5,01,000	50.10%
(b) Anuradha SA Investments LLC	4,90,000	49.00%	4,90,000	49.00%
Class B without voting rights				
(a) Anuradha SA Investments LLC	1,00,000	100.00%	1,00,000	100.00%
Class C without voting rights				
(a) Parsvnath Developers Limited	90,000	98.90%	90,000	98.90%
ii. 0.000001% optionally convertible Preference shares				
(a) Parsvnath Developers Limited	4,84,170	100.00%	4,84,170	100.00%

- (e) Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash for the period of 5 years immediately preceding the balance sheet date.

	<u>As at 31 March, 2015</u> Number	<u>As at 31 March, 2014</u> Number
i. Equity shares		
Class A with voting rights	5,00,000	5,00,000
Class C with differential voting rights	90,000	90,000
ii. 0.000001% optionally convertible Preference shares	3,49,982	3,49,982

- (f) Arrears of fixed cumulative dividend on Preference Shares as at 31 March, 2015 is ₹ 1 (As at 31 March, 2014 - ₹ 1)



PARSVNATH BUILDWELL PRIVATE LIMITED
Notes forming part of the financial statements

	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
Note 4: Reserves and surplus		
i. Securities premium		
Opening balance	95,62,13,000	95,62,13,000
Closing balance	95,62,13,000	95,62,13,000
ii. Surplus in the Statement of Profit and Loss		
Opening balance	8,27,61,618	6,48,23,079
Add: profit for the year	46,08,373	1,79,38,539
Closing balance	8,73,69,992	8,27,61,618
TOTAL	1,04,35,82,992	1,03,89,74,618

Note 5: Long-term borrowings

Unsecured debentures

i. 15.50%, Fully Convertible Debentures-Series A 87,51,000 (31 March, 2014: 87,51,000) fully convertible debentures of ₹ 100 each	87,51,00,000	87,51,00,000
ii. 15.50%, Fully Convertible Debentures-Series B 10,83,593 (31 March, 2014: 10,83,593) Fully convertible debentures of ₹ 100 each	10,83,59,300	10,83,59,300
TOTAL	98,34,59,300	98,34,59,300

Series A debentures are convertible into Class B equity shares at the option of the debenture holders at a price of ₹ 200 per Class B share, that is ₹ 10 par value and a premium of ₹ 190 per Class B share subject to Reserve Bank of India (RBI) pricing guidelines. In case no such option is exercised by the investor, these shall mandatorily be converted by the Company into Class B shares on expiry of twenty years after the date of issue of debentures. The latest mandatory conversion date is November 21, 2031 and the earliest mandatory conversion date is January 07, 2031.

Series B debentures are convertible into Class C equity shares at the option of the debenture holders at a price of ₹ 35.30 per Class C share, that is ₹ 10 par value and a premium of ₹ 25.30 per Class C share subject to Reserve Bank of India (RBI) pricing guidelines. In case no such option is exercised by the investor, these shall mandatorily be converted by the Company into Class C shares on expiry of twenty years after the date of issue of debentures. The latest mandatory conversion date is August 09, 2031 and the earliest mandatory conversion date is January 07, 2031.

Note 6: Trade payables

(Other than acceptances)

Trade payable	5,34,15,842	6,20,92,180
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As per the information available with the Company, trade payables do not include any amount due to Micro and Small Enterprises as defined under "Micro, Small and Medium Enterprises Developments Act, 2006 (MSMED Act, 2006) and no interest has been paid or payable in terms of MSMED Act, 2006.

Note 7: Other current liabilities

i. Interest accrued but not due on debentures	23,90,27,539	12,89,63,066
ii. Advances from customers	9,87,03,963	14,36,96,045
iii. Retention money	7,41,433	7,41,433
iv. Statutory dues (Withholding Taxes, Service tax, VAT, etc.)	4,28,26,542	2,78,40,832
	38,12,99,477	30,12,41,376

Note 8: Short-term Provisions

Provision for tax [(Net of advance tax of Rs. 1,44,57,210); 31 March, 2014: Rs. 3,86,94,410]	1,25,763	20,73,375
	1,25,763	20,73,375



PARSVNATH BUILDWELL PRIVATE LIMITED
Notes forming part of the financial statements

Particulars	Gross block				Accumulated depreciation		Net block	
	As at 1 April, 2014	As at 31 March, 2015	As at 1 April, 2014	For the year ended March, 2015	As at 31 March, 2015	As at 31 March, 2015	As at 31 March, 2014	
				Adjustment				
Tangible assets								
Plant and machinery	4,84,535	7,78,235	98,283	42,524	(57,332)	83,475	3,86,252	
Office equipment	61,500	61,500	11,804	12,977	(6,886)	17,895	49,696	
Total	5,46,035	8,39,735	1,10,087	55,501	(64,218)	1,01,370	4,35,948	
Previous Year		5,46,035		1,10,087		1,10,087	4,35,948	





PARSVNATH BUILDWELL PRIVATE LIMITED
Notes forming part of the financial statements

	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
Note 10: Non-current investments		
Trade-Unquoted		
Investments in equity shares of subsidiary company		
Parsvnath Realcon Private Limited 10,000 (31 March, 2014: 10,000) equity shares of Rs.10 each fully paid	<u>1,00,000</u>	<u>1,00,000</u>
Note 11: Deferred tax assets		
Break-up of deferred tax assets is as follows:		
Tax effect of difference between carrying amount of fixed assets in the financial statements and the income tax return	<u>-</u>	<u>9,500</u>
Note 12: Other non-current assets		
Deposits with banks under lien with government authorities	<u>2,83,047</u>	<u>2,50,000</u>
Note 13: Inventories		
(Valued at lower of cost and net realisable value)		
Work-in-progress	<u>1,27,09,56,727</u>	<u>1,18,37,57,128</u>
Note: Inventory of work-in-progress comprise 'Properties under development'		
Note 14: Trade receivables		
(Unsecured, considered good)		
i. Outstanding for a period exceeding six months from the date they are due for payment	18,46,739	73,16,746
ii. Others	<u>18,46,739</u>	<u>73,16,746</u>
Note 15: Cash and cash equivalents		
A. Cash and cash equivalents		
i. Cash on hand	10,69,497	25,02,377
ii. Balance with banks:		
a. In current accounts	2,98,58,389	1,60,90,464
b. In deposit accounts	<u>58,00,70,643</u>	<u>-</u>
Cash and Cash equivalents (as per AS 3 Cash Flow Statement)	<u>61,09,98,529</u>	<u>1,85,92,841</u>
B. Other bank balances		
i. Deposits with bank under lien	<u>-</u>	<u>55,19,75,482</u>
	<u>61,09,98,529</u>	<u>57,05,68,323</u>



PARSVNATH BUILDWELL PRIVATE LIMITED
Notes forming part of the financial statements

	As at 31 March, 2015	As at 31 March, 2014
Note 16: Short-term loans and advances (Unsecured, considered good)		
i. Advances to related parties		
a. Advance to a subsidiary company	42,22,76,069	47,16,21,779
b. Due from holding company	5,73,19,787	6,50,00,000
c. Security deposits	13,74,372	13,74,372
d. Others	38,68,397	10,90,595
ii. Prepaid expenses	7,20,343	1,09,961
iii. Balances with government authorities		
a. CENVAT credit receivable	33,93,478	41,88,013
b. VAT credit receivable	48,68,903	18,40,084
iv. Mobilisation advance to contractors	16,03,564	16,03,563
v. Advance to suppliers	9,01,98,741	8,87,87,437
vi. Security deposit-others	50,00,000	50,00,000
	<u>59,06,23,654</u>	<u>64,06,15,804</u>
Note 17: Other current assets		
i. Unbilled revenue	1,76,66,004	1,71,12,429
ii. Interest accrued on bank deposits	2,86,25,534	2,77,44,613
iii. Interest accrued on security deposit with related party	3,71,775	2,57,358
	<u>4,66,63,313</u>	<u>4,51,14,400</u>



PARSVNATH BUILDWELL PRIVATE LIMITED
Notes forming part of the financial statements

	Year ended 31 March, 2015	Year ended 31 March, 2014
	₹	₹
Note 18: Revenue from operations		
i. Sale of properties	5,87,57,255	34,09,21,729
ii. Other operating revenue: -Administrative charges		16,52,713
	<u>5,87,57,255</u>	<u>34,25,74,442</u>
Note:		
Revenue from sale of properties comprise revenue recognised on Real Estate Projects on 'Percentage of completion method' (Refer note 2g)		
Note 19: Other income		
i. Interest on deposits with banks	5,25,74,998	4,92,94,521
ii. Interest on other deposits	1,27,130	1,27,130
iii. Interest from customers		8,97,377
iv. Miscellaneous income	5,12,234	24,07,792
	<u>5,32,14,362</u>	<u>5,27,26,820</u>
Note 20: Cost of materials consumed		
Construction material	<u>77,74,981</u>	<u>11,00,77,392</u>
Note 21: Changes in inventories of work-in-progress		
i. Work-in-progress at beginning of the year	1,18,37,57,128	1,06,71,22,680
ii. Work-in-progress at end of the year	1,27,09,56,727	1,18,37,57,128
iii. Finance cost allocated to work-in-progress (see note (i) to note 23)	6,61,76,587	5,82,57,321
Net (increase)/decrease in inventories	<u>(2,10,23,012)</u>	<u>(5,83,77,127)</u>
Note 22: Employee benefits expense		
Salaries and wages	<u>21,27,800</u>	<u>13,13,358</u>
Note 23: Finance costs		
Interest expenses:		
i. on borrowings	15,24,36,192	15,24,36,191
ii. to Customers		13,24,495
iii. on delayed payment of income tax	54,08,003	3,70,082
	<u>15,78,44,194</u>	<u>15,41,30,768</u>
Less: Finance costs allocated to inventory of work-in-progress (see note (i) below)	6,61,76,587	5,82,57,321
	<u>9,16,67,607</u>	<u>9,58,73,447</u>

Note:

- (i) Interest allocable to inventory of projects under progress (work-in-progress) has been segregated from finance cost and reflected under changes in inventories of work-in-progress for better presentation (Also see note 21).

PARSVNATH BUILDWELL PRIVATE LIMITED
Notes forming part of the financial statements

	Year ended 31 March, 2015	Year ended 31 March, 2014
	₹	₹
Note 24: Other expenses		
i. Rates and taxes	31,74,040	62,080
ii. Legal and professional charges	49,53,209	40,79,444
iii. Payment to auditors (see note 'i' below)	5,61,800	5,61,800
iv. Land Collaborator share	20,65,091	4,95,48,543
v. Travelling and conveyance	5,53,435	15,73,132
vi. Project consultant/management fees	-	3,08,96,333
vii. Advertisement and publicity	5,05,135	1,58,78,615
viii. Rebate and discount	-	21,35,184
ix. Security expenses	21,76,393	14,23,596
x. Brokerage/commission on sales	13,34,799	83,98,648
xi. Insurance	5,28,809	3,61,909
xii. Repair and maintenance- machinery	4,01,479	31,53,526
xiii. Bank charges	2,17,074	2,05,563
xiv. Miscellaneous expenses	4,18,965	11,60,175
	1,68,90,229	11,94,38,548

Note : 'i'

Payment to auditors

i. Statutory audit fees	5,00,000	5,00,000
ii. Service tax	61,800	61,800
	5,61,800	5,61,800

Note 25: Earnings per share

i. Net profit for calculation of basic and diluted earnings per share	46,08,373	1,79,38,539
ii. Weighted average number of equity shares outstanding during the year (see note below)	11,91,000	11,91,000
iii. Basic and diluted earnings per share	3.87	15.06
iv. Nominal value of equity shares	10	10

Note:

Since the effect of potential equity shares is anti dilutive these have not been considered for calculation of diluted earning per share

PARSVNATH BUILDWELL PRIVATE LIMITED
Notes forming part of the financial statements

Note 26: Contingent liabilities

	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
Claims against the Company not acknowledged as debts* - Customers complaints pending in consumer court	2,65,58,000	52,42,479

* No provision is considered necessary since the Company expects favorable decisions.

Note 27:

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

Note 28: Related party disclosures

i. List of related parties (With whom the Company has transactions during the year)

(a) Holding Company

- Parsvnath Developers Limited (PDL)

(b) Entities having significant influence

- Anuradha SA Investments LLC, Mauritius (ASA)
- Anuradha Ventures Limited, Cyprus (AVL)

(c) Subsidiary Company

- Parsvnath Realcon Private Limited (PRPL)

ii. Balances outstanding/transactions with related parties

	PDL	ASA	AVL	PRPL
	₹	₹	₹	₹
(a) Transactions during the year				
Expenses incurred on their behalf (net)	36,45,711 (41,21,691)	-	-	-
Loan received back	-	-	-	4,93,45,710 (2,81,29,304)
Interest on debentures	1,67,95,692 (1,67,95,692)	-	13,56,40,500 (13,56,40,500)	-
Interest income	1,27,130 (1,27,130)	-	-	-
Advances received back	85,48,122 (-)	-	-	-
(b) Balances at year-end				
Advances	5,73,19,787 (6,50,00,000)	-	-	-
Security deposit (asset)	13,74,372 (13,74,372)	-	-	-
Other short-term loans and advances	38,68,937 (10,90,595)	-	-	42,22,76,069 (47,16,21,779)
Interest accrued on debentures	3,32,25,596 (1,81,09,473)	-	20,58,01,943 (11,08,53,593)	-



PARSVNATH BUILDWELL PRIVATE LIMITED
Notes forming part of the financial statements

	PDL ₹	ASA ₹	AVL ₹	PRPL ₹
Trade payables	(41,21,691)	(-)	(-)	(-)
Interest accrued on deposits	3,71,775 (2,57,358)	(-)	(-)	(-)
Debentures (borrowings)	10,83,59,300 (10,83,59,300)	(-)	87,51,00,000 (87,51,00,000)	(-)

Note: Figures in brackets represent figures as at and for the year ended 31 March, 2014

Note 29:

Pursuant to Investment Agreement dated 21 December, 2010 entered into with Parsvnath Developers Limited (PDL), Parasnath And Associates Private Limited and two overseas Investment entities viz. Anuradha SA Investments LLC, Mauritius (ASA) and Anuradha Ventures Limited, Cyprus (AVL), PDL had transferred and assigned developments rights in relation to its ongoing project, namely Parsvnath Exotica located in Ghaziabad (on land admeasuring 31 acres) situated at village Arthala, Ghaziabad (the Project) to the Company at a consideration of ₹ 750,000,000 on terms and condition contained therein.

In lieu of consideration of ₹ 750,000,000, the Company had allotted 500,000 Class A Equity Shares of ₹ 10 each at par, 90,000 Class B Equity Shares (not carrying any voting rights) of ₹ 10 each at a premium of ₹ 190 per share, 250,145 fully convertible debentures of ₹ 100 each at par and 349,892 convertible Preference Shares of ₹ 100 each at a premium of ₹ 1,900 each during the year ended 31 March, 2011 and has allotted 22,015 Series A Fully Convertible debentures of Rs. 100 each against the outstanding balance during the year ended 31 March, 2012.

Note 30: Segment reporting

As the Company operates in single business and geographical segment viz. Development of residential projects in India, the reporting requirements for primary and secondary segment disclosures prescribed by Accounting Standard AS-17 on 'Segment Reporting' are not applicable.

Note 31: Transfer pricing

As per the Transfer Pricing Rules of the Income tax Act, 1961 every company is required to get a transfer pricing study conducted to determine whether the transactions with associated enterprises were undertaken at an arm's length basis for each financial year end. Transfer pricing study for the transactions during the year ended 31 March, 2015 is currently in progress and hence adjustments if any which may arise there have not been taken into account in these financial statements and will be effective in the financial statements for the year ended 31 March, 2016. However in the opinion of the Company's management, adjustments, if any, are not expected to be material.

Note 32: Change in depreciation policy

Effective April 1, 2014, the Company has reviewed and revised the useful life of fixed assets, generally in accordance with the provisions of Schedule II to the Companies Act, 2013 for the purpose of providing depreciation on its fixed assets. The carrying amount of fixed assets as on April 1, 2014 is depreciated over the revised remaining useful life. Further, to rationalize the method of computation of depreciation, the Company has changed the method of depreciation from Written Down Value (WDV) method to Straight Line Method (SLM) for all the fixed assets. The effect of change in method of depreciation from WDV to SLM has been applied retrospectively and differential amount has been charged/credited to the Statement of Profit and Loss. Due to this change in policy excess depreciation relating to earlier years amounting to Rs. 64,218 has been written back to the Statement of Profit and Loss.

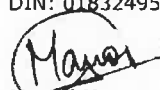
Note 33: Previous year's figures

Previous year's amounts have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure.

For and on behalf of the Board of Directors


Vivek Garg
Director
DIN: 01832495


Prakash Kalothia
Director
DIN: 00322856


Manoj Kumar Joshi
Company Secretary
Membership No. A23084

Place: New Delhi
Date: 16 May, 2015