

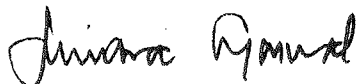
**PARSVNATH HOTELS LIMITED**  
Balance Sheet as at 31 March, 2015

	Note No.	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
<b>I EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
(a) Share capital	3	5,40,00,000	5,40,00,000
(b) Reserves and surplus	4	<u>1,35,98,753</u>	<u>1,60,56,812</u>
		<b>6,75,98,753</b>	<b>7,00,56,812</b>
<b>2. Non-current liabilities</b>			
(a) Long-term borrowings	5	<u>15,37,55,905</u>	<u>13,40,32,777</u>
		<b>15,37,55,905</b>	<b>13,40,32,777</b>
<b>3. Current liabilities</b>			
(a) Short-term borrowings	6	2,75,00,000	2,75,00,000
(b) Trade payables	7	19,09,073	34,26,601
(c) Other current liabilities	8	<u>1,18,04,684</u>	<u>92,82,987</u>
		<b>4,12,13,757</b>	<b>4,02,09,588</b>
<b>TOTAL</b>		<u><b>26,25,68,415</b></u>	<u><b>24,42,99,177</b></u>
<b>II ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Fixed assets			
Capital work-in-progress	10	12,46,30,191	10,49,79,819
(b) Long-term loans and advances	11	<u>10,49,27,282</u>	<u>10,50,36,542</u>
		<b>22,95,57,473</b>	<b>21,00,16,361</b>
<b>2. Current assets</b>			
(a) Trade receivables	12	2,60,00,000	2,76,85,069
(b) Cash and cash equivalents	13	16,88,678	20,57,241
(c) Short-term loans and advances	14	<u>53,22,264</u>	<u>45,40,506</u>
		<b>3,30,10,942</b>	<b>3,42,82,816</b>
<b>TOTAL</b>		<u><b>26,25,68,415</b></u>	<u><b>24,42,99,177</b></u>

See accompanying notes forming part of the financial statements 1-31

In terms of our report attached

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants



**JITENDRA AGARWAL**  
Partner

Place: Gurgaon  
Date: 22 May, 2015

For and on behalf of the Board of Directors

  
**Yogesh Jain**  
Director  
DIN:00088662

  
**Vipul Kumar Goel**  
Director  
DIN:06740206

  
**Bhupinderjeet Kaur**  
Company Secretary  
M.No. A33905

Place: Delhi  
Date: 22 May, 2015

**PARSVNATH HOTELS LIMITED**  
**Statement of Profit and Loss for the year ended 31 March, 2015**

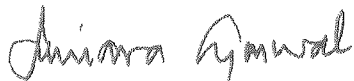
	Note No.	Year ended 31 March, 2015 ₹	Year ended 31 March, 2014 ₹
<b>1. Revenue</b>			
(a) Revenue from operations	15	-	1,04,47,749
(b) Other income	16	-	2,60,00,000
<b>Total revenue</b>		-	<b>3,64,47,749</b>
<b>2. Expenses</b>			
(a) Cost of materials consumed	17	-	20,24,214
(b) Employee benefits expense	18	1,25,013	71,58,052
(c) Depreciation expense	9	-	49,72,070
(d) Other expenses	19	23,33,045	2,86,43,113
<b>Total expenses</b>		<b>24,58,058</b>	<b>4,27,97,449</b>
<b>3. Loss for the year (1-2)</b>		<b>(24,58,058)</b>	<b>(63,49,700)</b>
<b>4. Tax expense</b>		-	-
<b>5. Profit after tax (3-4)</b>		<b>(24,58,058)</b>	<b>(63,49,700)</b>
<b>6. Earnings per equity share [nominal value share ₹ 10 each]</b>	20		
(a) Basic		(0.46)	(1.18)
(b) Diluted		(0.46)	(1.18)

See accompanying notes forming part of the financial statements 1-31

**For and on behalf of the Board of Directors**

In terms of our report attached

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants



**JITENDRA AGARWAL**  
Partner

Place: Gurqaon  
Date: 22 May, 2015



**Yogesh Jain**  
Director  
DIN:00088662



**Vipul Kumar Goel**  
Director  
DIN:06740206

  
**Bhupinderjeet Kaur**  
Company Secretary  
M.No. A33905

Place: Delhi  
Date: 22 May, 2015

**PARSVNATH HOTELS LIMITED**  
**Cash Flow Statement for the year ended 31 March, 2015**

	Year ended 31 March, 2015	Year ended 31 March, 2014
	₹	₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net loss before tax	(24,58,058)	(63,49,700)
Adjustments for :		
Depreciation	-	49,72,070
Loss on sale of fixed assets	-	93,59,483
Provision for doubtful trade receivables	15,47,080	-
Provision for employee benefits	-	(4,54,553)
Operating profit/(loss) before working capital changes	<u>(9,10,978)</u>	<u>75,27,300</u>
Adjustments for :		
Inventories	-	11,57,229
Trade receivables	1,37,989	(2,33,96,063)
Short term loans and advances	(7,81,758)	(37,60,350)
Long term loans and advances	-	63,11,735
Other current assets	-	1,11,418
Trade payables	(15,17,528)	(29,99,519)
Other current liabilities	(13,20,789)	50,76,192
<b>Cash generated from/(used in) operations</b>	<u>(43,93,064)</u>	<u>(99,72,058)</u>
Net income tax paid	(22,740)	(86,927)
<b>Net cash flow from/(used in) operating activities (A)</b>	<u>(44,15,804)</u>	<u>(1,00,58,984)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on fixed assets including		
Capital work in progress and capital advances	(2,40,75,887)	(1,19,57,279)
Proceeds from sale of investments	-	8,08,255
<b>Net cash flow from/(used in) investing activities (B)</b>	<u>(2,40,75,887)</u>	<u>(1,11,49,024)</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long term borrowings	2,81,23,128	2,75,00,000
Repayment of long term borrowings	-	(3,72,64,679)
<b>Net cash flow from/(used in) financing activities (C)</b>	<u>2,81,23,128</u>	<u>(97,64,679)</u>
<b>D. Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(3,68,563)</b>	<b>(3,09,72,688)</b>
<b>E. Cash and cash equivalents as at the beginning of the year</b>	7,97,241	3,17,69,929
<b>F. Cash and cash equivalents as at the end of the year (see note 13)</b>	<u>4,28,678</u>	<u>7,97,241</u>
<b>G. Components of cash and cash equivalents as at:</b>		
Cash on hand	88,393	5,61,985
Balances with the scheduled banks:		
In current accounts	3,40,285	2,35,256
<b>Cash and cash equivalents as per cash flow statement</b>	<u>4,28,678</u>	<u>7,97,241</u>
Deposits under lien not considered as cash equivalents	12,60,000	12,60,000
<b>Cash and cash equivalents as per balance sheet (see note 13)</b>	<u>16,88,678</u>	<u>20,57,241</u>

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: Gurgaon  
Date: 22 May, 2015

For and on behalf of the Board of Directors

  
**Yogesh Jain**  
Director  
DIN:00088662

  
**Vipul Kumar Goel**  
Director  
DIN:06740206

  
**Bhupinderjeet Kaur**  
Company Secretary  
M.No. A33905

Place: Delhi  
Date: 22 May, 2015

**PARSVNATH HOTELS LIMITED**  
**Notes forming part of financial statements**

---

**Note 1: Corporate information**

Parsvnath Hotels Limited is a Subsidiary of Parsvnath Developers Limited and has been set up to engage in the business of development, operation and management of hotels and tourism projects, both in and outside India, including acquisition, construction and development of hotels, resorts, service apartments, tourist complexes, tour operators business etc.

**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 notified under Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) 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.

**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**

Inventories comprise food and beverages and stores. Inventories are valued at lower of cost and net realizable value. Cost is determined using first-in-first-out method. Cost includes all charges incurred in bringing the inventories to their present location and condition.

**d. 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.

**e. 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.

**f. Depreciation**

- i. Depreciation on fixed assets is provided on pro rata basis from the date at which assets is ready for its intended use on written down value method at the rates specified in Schedule XIV to the Companies Act, 1956 or based on the management's estimates of the useful life of the assets, whichever is higher. Accordingly, the depreciation rates used are as follows:



**PARSVNATH HOTELS LIMITED**  
**Notes forming part of financial statements**

Building	5.00%
Plant and machinery	30.00%
Kitchen equipment	30.00%
Office equipment	30.00%
Furniture and fixtures	30.00%
Motor vehicles	25.89%
Computers	60.00%

Depreciation on improvement to leasehold properties is provided over a period of 3 years on straight line basis.

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

**g. Revenue recognition**

i. Sale of goods

Sale of food and beverages is recognised on delivery to the customers. Sales is net of trade discounts and excludes sales tax and value added tax.

ii. Sale from services

Revenue from sale of room and allied services relating to Hotel operations is recognised on rendering of services.

iii. Other Income

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

**h. Fixed Assets**

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. Cost includes purchase price and all other attributable costs of bringing the assets to working condition for intended use. Financing costs relating to borrowed funds attributable to acquisition or construction of fixed assets, which takes substantial period of time to get ready for its intended use are also included, for the period till such asset is ready to use.

**i. Capital Work In Progress (CWIP)**

CWIP includes:

- i. Advances given and expenditure incurred in connection with the purchase/construction of fixed assets and pending allocation to the fixed assets.
- ii. Incidental expenditure during construction period comprising payment to and provision for employees, professional fees and other administrative expenses pending allocation to fixed assets on completion of the project.
- iii. Interest and financing cost net of interest income pending allocation to fixed assets on completion of the project.

**j. Investments**

Long term investments are stated at cost less provision for diminution in value, if such diminution is other than temporary. Current investment are stated at lower of cost and fair value on an individual investment basis.

**PARSVNATH HOTELS LIMITED**  
**Notes forming part of financial statements**

---

**k. Employee benefit**

Employee benefits include provident fund, gratuity fund and compensated absences.

Defined contribution plans

The Company's contributions to provident fund are considered as defined contribution plan. The Company's contribution to the Employee's Provident Fund is deposited with the Regional Provident Fund Commissioner (RPFC). These are charged to the Statement of Profit and Loss, when the contribution to RPFC is due.

Defined benefit plan:

The Company's gratuity plan is defined benefit plan. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

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 services.

Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are valued and provided on the basis of actuarial valuation.

**l. Borrowing costs**

Borrowing cost 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.

**m. Leases**

Assets leased by the Company in its capacity as a lessee, where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.



**PARSVNATH HOTELS LIMITED**  
**Notes forming part of financial statements**

---

**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. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

**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 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



**PARSVNATH HOTELS LIMITED**  
**Notes forming part of financial statements**

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 12 months for the purpose of classification of its assets and liabilities as current and non-current.

*Jh*      *W*

*Goresh*



**PARSVNATH HOTELS LIMITED**  
Notes forming part of the financial statements

**Note 3: Share capital**

	As at 31 March, 2015		As at 31 March, 2014	
	Number	₹	Number	₹
<b>i. Authorised</b>				
Equity shares of ₹ 10 each	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
	<b>2,00,00,000</b>	<b>20,00,00,000</b>	<b>2,00,00,000</b>	<b>20,00,00,000</b>
<b>ii. Issued, subscribed and fully paid-up</b>				
Equity Shares of ₹ 10 each fully paid	54,00,000	5,40,00,000	54,00,000	5,40,00,000
	<b>54,00,000</b>	<b>5,40,00,000</b>	<b>54,00,000</b>	<b>5,40,00,000</b>
<b>(a) Reconciliation of number and amount of equity shares outstanding as at the beginning and at the end of the year</b>				
Shares outstanding at the beginning of the year	54,00,000	5,40,00,000	54,00,000	5,40,00,000
Shares outstanding at the end of the year	<b>54,00,000</b>	<b>5,40,00,000</b>	<b>54,00,000</b>	<b>5,40,00,000</b>

**(b) Rights, preferences and restrictions attached to equity shares**

The Company has issued one class of equity shares having face value of ₹ 10 each. Each shareholder is entitled to one vote per share. Dividend proposed by the board of directors is subject to approval of the shareholders in Annual General Meeting. 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 their shareholding.

**(c) Equity shares held by the holding company**

	As at 31 March, 2015	As at 31 March, 2014
	Number	Number
Parsvnath Developers Limited and its nominees	54,00,000	54,00,000

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

	As at 31 March, 2015		As at 31 March, 2014	
	Number	% holding	Number	% holding
Parsvnath Developers Limited and its nominees	54,00,000	100.00%	54,00,000	100.00%

*Jh*

*lw*

*[Signature]*

**PARSVNATH HOTELS LIMITED**  
**Notes forming part of the financial statements**

	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
<b>Note 4: Reserves and surplus</b>		
<b>i. Securities premium</b>		
Opening balance	8,10,00,000	8,10,00,000
Closing Balance	<b>8,10,00,000</b>	<b>8,10,00,000</b>
<b>ii. Deficit in the statement of Profit and Loss</b>		
Opening Balance	(6,49,43,189)	(5,85,93,488)
Add: Loss for the year	(24,58,058)	(63,49,700)
Closing Balance	<b>(6,74,01,247)</b>	<b>(6,49,43,188)</b>
<b>TOTAL</b>	<b>1,35,98,753</b>	<b>1,60,56,812</b>

**Note 5: Long-term borrowings**

<b>a. Secured</b>		
Term loan from bank	11,76,00,000	12,60,00,000
<b>b. Unsecured</b>		
From Holding Company	3,61,55,905	80,32,777
	<b>15,37,55,905</b>	<b>13,40,32,777</b>

Term loan from bank is secured by (a) Mortgage of project land at Shirdi measuring 2,200 square yards and proposed building thereon. (b) First charge on all the movable and immovable assets including receivables of the project. Loan is further secured by corporate guarantee of its holding Company and personal guarantee of its director Mr. Pradeep Kumar Jain

Term loan from bank carries a rate of interest of 3.25% above the Bank's base rate on monthly rests.

The tenure of bank loan (including two years of construction period and two years of moratorium period from the date of commencement of operations) is 11.5 years and repayable in thirty quarterly instalments commencing from 31 December, 2015.

For Current maturities of long term borrowings, refer item (i) of Note 8 - 'Other current liabilities'.

**Note 6: Short-term borrowings**

**Unsecured - payable on demand**

From related party	<b>2,75,00,000</b>	<b>2,75,00,000</b>
--------------------	--------------------	--------------------

**Note 7: Trade payables**

Trade Payables - other than acceptances	<b>19,09,073</b>	<b>34,26,601</b>
---	------------------	------------------

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. This has been relied upon by the auditors.

**Note 8: Other current liabilities**

i. Current maturities of long term borrowings (see note 5)	84,00,000	
ii. Payables for purchase of fixed assets	31,51,476	36,83,753
iii. Statutory liabilities	2,46,918	5,53,430
iv. Interest accrued and due		45,57,514
v. Security deposits	6,290	6,290
vi. Other liabilities		4,82,000
	<b>1,18,04,684</b>	<b>92,82,987</b>

**PARSVNATH HOTELS LIMITED**  
Notes forming part of the financial statements

Note 9: Tangible Assets (owned)

PARTICULARS	GROSS BLOCK		ACCUMULATED DEPRECIATION		NET BLOCK			
	As at 1 April, 2014	Additions	Deletions	As at 31 March, 2015	For the Year	Deletions	As at 31 March, 2015	As at 31 March, 2014
Leasehold improvements	(2,01,42,980)	(-)	(2,01,42,980)	(-)	(41,96,455)	(1,25,14,253)	(-)	(1,18,25,182)
Plant and machinery	(8,53,632)	(-)	(8,53,632)	(-)	(97,916)	(4,63,303)	(-)	(4,88,245)
Kitchen equipment	(23,53,966)	(-)	(23,53,966)	(-)	(3,03,376)	(11,44,608)	(-)	(15,12,734)
Furniture and fixtures	(12,65,622)	(-)	(12,65,622)	(-)	(1,31,328)	(7,42,104)	(-)	(6,54,846)
Office equipment	(3,11,817)	(-)	(3,11,817)	(-)	(21,248)	(2,27,117)	(-)	(1,05,948)
Computers	(17,44,922)	(-)	(17,44,922)	(-)	(2,21,747)	(14,13,816)	(-)	(5,52,853)
<b>Total</b>								
Previous year	(2,66,72,939)		(2,66,72,939)		(49,72,070)	(1,65,05,201)		(1,51,39,808)

Figures in brackets relates to previous year.

*[Signature]*

*[Initials]*

*[Signature]*

**PARSVNATH HOTELS LIMITED**  
Notes forming part of the financial statements

	<u>As at</u> <u>31 March, 2015</u> ₹	<u>As at</u> <u>31 March, 2014</u> ₹
<b>Note 10: Capital-work-in progress</b>		
Capital-work-in progress	<u>12,46,30,191</u>	<u>10,49,79,819</u>
<b>Note 11: Long term loans and advances</b> (Unsecured, considered good)		
i. Capital advances to:		
- related party	4,90,11,464	4,90,11,464
- others	4,83,64,176	4,84,96,176
ii. Security deposits	27,20,065	27,20,065
iii. Other loan and advances	43,93,500	43,93,500
iv. Advance income tax	4,38,077	4,15,337
	<u>10,49,27,282</u>	<u>10,50,36,542</u>
<b>Note 12: Trade receivables</b> (Unsecured, considered good)		
i. Outstanding for a period exceeding six months from the date they are due for payment:		
- Considered good	2,60,00,000	16,85,069
- Considered doubtful	15,47,080	-
	<u>2,75,47,080</u>	<u>16,85,069</u>
ii. Other trade receivables	-	2,60,00,000
	<u>2,75,47,080</u>	<u>2,76,85,069</u>
Less provisions for doubtful trade receivables	15,47,080	-
	<u>2,60,00,000</u>	<u>2,76,85,069</u>
<b>Note 13: Cash and Cash equivalents</b>		
<b>A. Cash and cash equivalents</b>		
i. Cash on hand	88,393	5,61,985
ii. Balance with banks: in current accounts	3,40,285	2,35,256
	<u>4,28,678</u>	<u>7,97,241</u>
<b>B. Other bank balances</b>		
i. Deposits with bank held as margin money	12,60,000	12,60,000
	<u>16,88,678</u>	<u>20,57,241</u>
Of the above, the balances that meet the definition of cash and cash equivalents as per Accounting Standard-3 "Cash flow Statement"	<u>4,28,678</u>	<u>7,97,241</u>
<b>Note 14: Short term loans and advances</b> (Unsecured, considered good)		
i. Prepaid expenses	7,79,193	-
ii. Balance with government authorities		
a. CENVAT credit receivable	45,40,506	45,40,506
	2,565	-
iii. Others	-	-
	<u>53,22,264</u>	<u>45,40,506</u>

J

W  
15/03/15

**PARSVNATH HOTELS LIMITED**  
Notes forming part of the financial statements

	Year ended 31 March, 2015 ₹	Year ended 31 March, 2014 ₹
<b>Note 15: Revenue from operations</b>		
i. Sale of goods - foods and beverages	-	13,25,110
ii. Sale of services - room revenue	-	90,02,379
iii. Other operating revenue	-	1,20,260
	<u>-</u>	<u>1,04,47,749</u>
<b>Note 16: Other income</b>		
Liquidated damages from contractors	-	2,60,00,000
	<u>-</u>	<u>2,60,00,000</u>
<b>Note 17: Cost of materials consumed</b>		
Material consumed - food and beverages	-	20,24,214
	<u>-</u>	<u>20,24,214</u>
<b>Note 18: Employee benefits expense</b>		
i. Salaries and wages	1,25,013	66,72,668
ii. Contribution to Provident fund	-	2,46,284
iii. Staff welfare expenses	-	2,39,100
	<u>1,25,013</u>	<u>71,58,052</u>
<b>Note 19: Other expenses</b>		
i. Power and fuel	-	19,20,617
ii. Catering supplies	-	6,667
iii. Laundry expenses	-	4,01,611
iv. Repairs and maintenance	-	12,99,918
- Building	-	1,73,099
- Machinery	-	1,51,696
- Others	-	77,012
v. Insurance	-	12,094
vi. Rates and taxes	14,129	5,01,181
vii. Travelling and conveyance	-	76,461
viii. Printing and stationery	1,469	85,300
ix. Commission on sales	-	13,26,775
x. Legal and professional charges	63,176	4,00,000
xi. Payment to auditors	4,49,440	9,650
xii. Advertisement and publicity	-	1,20,00,000
xiii. Rent	-	3,00,927
xiv. Postage and telephone expenses	2,509	88,706
xv. Bank charges	59,294	93,59,483
xvi. Loss on disposal of assets	-	-
xvii. Provision for doubtful trade receivables	15,47,080	-
xviii. Miscellaneous expenses	1,95,948	4,51,916
	<u>23,33,045</u>	<u>2,86,43,113</u>
<b>Note 'i'</b>		
<b>Payment to auditors (net of service tax input credit where applicable)</b>		
Statutory audit fees	<u>4,49,440</u>	<u>4,00,000</u>
<b>Note 20: Earnings per share</b>		
i. Net loss for calculation of basic and diluted earnings per share	(24,58,058)	(63,49,700)
ii. Weighted average number of equity shares outstanding during the year	54,00,000	54,00,000
iii. Basic and diluted earnings per share	(0.46)	(1.18)
iv. Nominal value of equity shares	10	10

**PARSVNATH HOTELS LIMITED**  
**Notes forming part of the financial statements**

**Note 21:**

The Company does not have any pending litigations which would impact its financial position.

**Note 22:**

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

**Note 23:**

**Contingent liabilities and commitments**

	As at 31 March, 2015 Rupees	As at 31 March, 2014 Rupees
(a) Guarantees issued on behalf of Holding Company (see note 24)	1,65,00,00,000	1,45,00,00,000
(b) The company has been granted Export Promotion Capital Goods (EPCG) licence against which the future export obligations of ₹ 87,55,000 (Previous year ₹ 87,55,000) are to be fulfilled on or before 31 March, 2021.		

**Note 24:**

The Company has provided security by way of equitable mortgage by deposit of title deeds of the plot of land admeasuring 3.47 acres situated at Jodhpur, Rajasthan, owned by the Company in favour of various lenders for a loan of ₹ 1,650,000,000 (Previous year Rs. 1,450,000,000) availed by its Holding Company, Parsvnath Developers Limited (PDL) and has also provided a Corporate Guarantee in this regard.

**Note 25: Capital work-in-progress**

The Company is constructing and developing a A8hotel. Detail of incidental expenditure during construction and pending capitalisation is as under:

Particulars	Balance as on 31.03.14	Additions during the year	Balance as on 31.03.15
	₹	₹	₹
	I	II	III=I+II
<b>A. Project assets</b>			
i. Land	44,12,340	-	44,12,340
ii. Conversion charges	30,22,094	-	30,22,094
iii. Material consumed	1,02,74,034	8,930	1,02,82,964
iv. Labour and other charges	1,57,42,481	4,50,273	1,61,92,754
<b>Total - A</b>	<b>3,34,50,949</b>	<b>4,59,203</b>	<b>3,39,10,152</b>
<b>B. Net incidental expenditure during construction pending allocation</b>			
i. Interest on borrowings	5,11,09,336	1,84,49,818	6,95,59,154
ii. Legal and professional charges	2,44,96,789	4,02,343	2,48,99,132
iii. Other expenses	49,36,019	3,39,008	52,75,027
<b>Total - B</b>	<b>8,05,42,144</b>	<b>1,91,91,169</b>	<b>9,97,33,313</b>
<b>C. Total (A+B)</b>	<b>11,39,93,093</b>	<b>1,96,50,372</b>	<b>13,36,43,465</b>
<b>D. Less: Capitalised</b>	90,13,274	-	90,13,274
<b>E. Balance carried Forward (C-D)</b>	<b>10,49,79,819</b>	<b>1,96,50,372</b>	<b>12,46,30,191</b>

**PARSVNATH HOTELS LIMITED**  
Notes forming part of the financial statements

**Note 26: Related party disclosures**

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

**(a) Holding Company**

- Parsvnath Developers Limited (PDL)

**(b) Fellow Subsidiary**

- Parsvnath Rail Land Project Private Limited (PRLPL)

**ii. Balances outstanding/transactions with related parties**

	<u>Holding Company</u> ₹	<u>Fellow Subsidiary</u> ₹
<b>(a) Transactions during the year</b>		
Unsecured loan received	2,81,23,128 (-)	(2,75,00,000)
Unsecured loan repaid	(3,72,64,679)	(-)
Corporate guarantee given	20,00,00,000 (15,00,00,000)	(-)
<b>(b) Balances at year-end</b>		
Advance against purchase of land/development rights	4,90,11,464 (4,90,11,464)	(-)
Long-term borrowings	3,61,55,905 (80,32,777)	(-)
Short-term borrowings	(-)	2,75,00,000 (2,75,00,000)
Corporate guarantee received	12,60,00,000 (12,60,00,000)	(-)
Corporate guarantee given	1,65,00,00,000 (1,45,00,00,000)	(-)

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

**Note 27: Details of borrowing costs capitalised during the year**

	<u>Year ended 31 March, 2015</u> Rupees	<u>Year ended 31 March, 2014</u> Rupees
Capital work - in- progress	1,84,49,818	1,92,33,417

**Note 28: Employee benefits**

In accordance with the revised Accounting Standard 15, the requisite disclosures are as follows:

**i. Defined contribution plan**

The Company makes contribution towards provident fund to a defined contribution retirement benefit plan for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits.

The Company recognised ₹ NIL (31 March, 2014: ₹ 246,284) for provident fund in the statement of profit and loss. The contribution payable to the plan by the Company is at the rate specified in rules to the scheme.

**ii. Defined benefit plan**

**(a) Gratuity plan**

The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months subject to a maximum of ₹10 lacs. Vesting occurs upon completion of 5 years of service.

The present value of the defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations carried out at each balance sheet date till 31 March, 2013. There is no liability as on 31 March, 2014 and as on 31 March, 2015 since there being no employee in the Company.

**(b) Long term compensated absences plan**

The earned leave liability arises as and when services are performed by an employee. The aforesaid liability is calculated on the basis of actuarial valuation as per projected unit credit method.

**PARSVNATH HOTELS LIMITED**  
**Notes forming part of the financial statements**

(c) The following tables set out the gratuity plan and amounts recognised in the Company's financial statements:

**i. Change in defined benefit obligation**

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
Present value of obligations as at the beginning of the year	-	2,63,671
Interest cost	-	-
Current service cost	-	(2,63,671)
Benefits paid	-	-
Actuarial (gain) / loss on obligations	-	-
Present value of obligations as at the end of the year	-	-

ii. The fair value of plan assets is NIL since Gratuity plan were wholly unfunded.

**iii. Amounts recognised in the Balance Sheet**

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
Present value of obligations as at the end of the year	-	-
Amount recognised in the Balance Sheet	-	-

**iv. Expenses recognised in the Statement of Profit and Loss**

Particulars	Year ended 31 March, 2015 ₹	Year ended 31 March, 2014 ₹
Current service cost	-	(2,63,671)
Actuarial (gain) / loss	-	-
Expenses charged to the Statement of Profit and Loss	-	<u>(2,63,671)</u>

**v. Experience adjustment**

Particulars	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹	As at 31 March, 2013 ₹
Defined benefit obligation	-	-	2,63,671
Plan assets	-	-	-
Surplus/(Deficit)	-	-	(2,63,671)

**vi. Principal actuarial assumptions:**

Particulars	Refer note below	Year ended 31 March, 2015	Year ended 31 March, 2014
Discount rate (per annum)	1	N.A.	N.A.
Expected rate of return on assets (per annum)	2	-	-
Salary escalation rate (per annum)	3	N.A.	N.A.

**Note 29: Segment reporting**

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

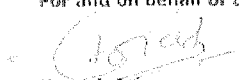
**Note 30: Deferred tax assets**

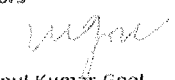
The Company has carried out its tax computation in accordance with mandatory accounting standard AS 22 - 'Taxes on Income'. There has been a net deferred tax asset on account of accumulated losses. However as a principal of prudence, and as there is no virtual certainty as on the date of the balance sheet, that there will be sufficient taxable income available to realize such assets in near future, the Company has not provided for deferred tax assets.

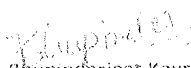
**Note 31: Previous year's figures**

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

For and on behalf of the Board of Directors

  
Yogesh Jain  
Director  
DIN:00088662

  
Vipul Kumar Goel  
Director  
DIN:06740286

  
Bhupinderjeet Kaur  
Company Secretary  
M.No. A3 0995

Place: Delhi  
Date: 23 May, 2015