

**PARSVNATH LANDMARK DEVELOPERS PRIVATE 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	3,28,20,520	3,28,20,520
(b) Reserves and surplus	4	1,26,03,31,756	1,38,48,81,449
		<b>1,29,31,52,276</b>	<b>1,41,77,01,969</b>
<b>2. Non-current liabilities</b>			
(a) Long-term borrowings	5	75,78,26,400	75,78,26,400
<b>3. Current liabilities</b>			
(a) Short-term borrowings	6	1,48,14,861	3,16,92,354
(b) Trade payables	7	12,20,44,292	15,58,10,829
(c) Other current liabilities	8	80,69,22,065	62,97,72,447
(d) Short-term provisions	9	3,67,889	3,09,103
		<b>94,41,49,107</b>	<b>81,75,84,733</b>
<b>TOTAL</b>		<b>2,99,51,27,783</b>	<b>2,99,31,13,102</b>
<b>II ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	10	22,83,925	29,40,538
(b) Deferred tax assets (net)	11	5,68,38,299	53,29,638
(c) Long-term loans and advances	12	42,14,95,159	50,84,98,165
		<b>48,06,17,383</b>	<b>51,67,68,341</b>
<b>2. Current assets</b>			
(a) Inventories	13	1,22,77,98,077	1,20,12,42,279
(b) Trade receivables	14	44,37,04,349	55,34,52,341
(c) Cash and Cash equivalents	15	1,12,23,898	6,63,92,322
(d) Short-term loans and advances	16	25,95,54,676	30,71,43,077
(e) Other current assets	17	57,22,29,400	34,81,14,742
		<b>2,51,45,10,400</b>	<b>2,47,63,44,761</b>
<b>TOTAL</b>		<b>2,99,51,27,783</b>	<b>2,99,31,13,102</b>

See accompanying notes forming part of the financial statements 1-33

In terms of our report attached

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants

For and on behalf of the Board of Directors



**JITENDRA AGARWAL**  
Partner



**PRADEEP KUMAR JAIN**  
Director  
DIN: 00333486



**SANJEEV KUMAR JAIN**  
Director  
DIN: 00333881



**RAHUL KWATRA**  
Company Secretary  
Membership No. A16754

Place: New Delhi  
Date: 14 May, 2015

Place: New Delhi  
Date: 14 May, 2015

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

	<b>Note No.</b>	<b>Year ended 31 March, 2015</b>	<b>Year ended 31 March, 2014</b>
		₹	₹
<b>1. Revenue from operations</b>	18	19,29,26,505	66,88,92,255
<b>2. Other income</b>	19	<u>10,86,672</u>	<u>28,25,969</u>
<b>3. Total revenue (1+2)</b>		<b>19,40,13,177</b>	<b>67,17,18,224</b>
<b>4. Expenses</b>			
(a) Cost of materials consumed	20	8,09,33,018	15,65,22,218
(b) Contract cost, labour and other charges		2,97,43,606	9,40,47,795
(c) Changes in inventories of work-in-progress	21	(2,65,55,798)	5,51,30,993
(d) Employee benefits expense	22	27,53,205	27,46,019
(e) Finance costs	23	24,63,69,977	28,05,09,920
(f) Depreciation expense	10	6,56,613	12,37,676
(g) Other expenses	24	<u>3,60,61,797</u>	<u>9,66,93,680</u>
<b>Total Expenses</b>		<b>36,99,62,418</b>	<b>68,68,88,301</b>
<b>5. Profit/(Loss) before tax (3-4)</b>		<b>(17,59,49,241)</b>	<b>(1,51,70,077)</b>
<b>6. Tax expense/(benefit)</b>			
(a) Deferred tax		(5,15,08,660)	(43,70,858)
(b) Income tax adjustments for earlier years		<u>1,09,112</u>	<u>23,12,116</u>
<b>Net tax expense/(benefit)</b>		<b>(5,13,99,548)</b>	<b>(20,58,742)</b>
<b>7. Profit/(Loss) for the year (5-6)</b>		<b>(12,45,49,693)</b>	<b>(1,31,11,335)</b>
<b>8. Earnings per equity share [nominal value of share ₹ 10 each]</b>	31		
(a) Basic		(37.95)	(3.99)
(b) Diluted		(37.95)	(3.99)

See accompanying notes forming part of the financial statements

In terms of our report attached

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants



**JITENDRA AGARWAL**  
Partner

For and on behalf of the Board of Directors



**PRADEEP KUMAR JAIN**  
Director  
DIN: 00333486



**SANJEEV KUMAR JAIN**  
Director  
DIN: 00333881



**RAHUL KWATRA**  
Company Secretary  
Membership No. A16754

Place: New Delhi  
Date: 14 May, 2015

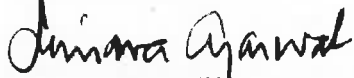
Place: New Delhi  
Date: 14 May, 2015

**PARSVNATH LANDMARK DEVELOPERS PRIVATE 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 profit/(loss) before tax	(17,59,49,241)	(1,51,70,077)
Adjustments for :		
Depreciation expense	6,56,613	12,37,676
Finance costs	23,25,62,175	27,86,15,188
Provision for employee benefits	58,786	23,945
Interest income on bank deposits		(24,49,269)
Operating profit before working capital changes	<u>5,73,28,333</u>	<u>26,22,57,463</u>
Changes in working capital:		
Adjustments for (increase)/decrease in operating assets		
Inventories	(2,65,55,799)	5,51,30,993
Trade receivables	10,97,47,992	7,19,15,103
Short-term loans and advances	4,75,88,402	(2,33,93,351)
Long-term loans and advances	9,11,27,746	-
Other current assets	(22,41,14,658)	10,96,70,306
Adjustments for increase/(decrease) in operating liabilities		
Trade payables	(3,37,66,537)	6,17,01,129
Other current liabilities	(87,78,787)	2,34,53,295
Cash generated from/(used in) operations	<u>1,25,76,692</u>	<u>56,07,34,939</u>
Net income tax paid	<u>(42,33,853)</u>	<u>(61,54,102)</u>
<b>Net cash flow from/(used in) operating activities (A)</b>	<u><b>83,42,839</b></u>	<u><b>55,45,80,837</b></u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Decrease/(increase) in deposits with bank not considered as cash and cash equivalents	-	2,25,00,000
Interest received on bank deposits	-	37,33,060
<b>Net cash flow from/(used in) investing activities (B)</b>	<u>-</u>	<u><b>2,62,33,060</b></u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance costs paid	(4,66,33,769)	(25,75,22,241)
Proceeds from short-term borrowings	-	3,16,92,354
Repayment of short-term borrowings	(1,68,77,493)	-
Repayment of secured term loan	-	(35,00,00,001)
<b>Net cash flow from/(used in) financing activities (C)</b>	<u><b>(6,35,11,262)</b></u>	<u><b>(57,58,29,888)</b></u>
<b>D. Net increase/ (decrease) in Cash and cash equivalents (A+B+C)</b>	<u><b>(5,51,68,424)</b></u>	<u><b>49,84,009</b></u>
<b>E. Cash and cash equivalents as at the beginning of the year</b>	<u>6,63,92,322</u>	<u>6,14,08,313</u>
<b>F. Cash and cash equivalents as at the end of the year (see note 15)</b>	<u><b>1,12,23,898</b></u>	<u><b>6,63,92,322</b></u>
<b>G. Components of Cash and cash equivalents</b>		
Cash on hand	5,32,983	97,628
Cheques on hand	1,03,30,707	-
Balance with banks in current accounts	3,60,208	6,62,94,694
	<u><b>1,12,23,898</b></u>	<u><b>6,63,92,322</b></u>



In terms of our report attached

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants

  
**JITENDRA AGARWAL**  
Partner

Place: New Delhi  
Date: 14 May, 2015

For and on behalf of the Board of Directors

   
**PRADEEP KUMAR JAIN** **SANJEEV KUMAR JAIN**  
Director Director  
DIN: 00333486 DIN: 00333881

  
**RAHUL KWATRA**  
Company Secretary  
Membership No. A16754

Place: New Delhi  
Date: 14 May, 2015

**PARSVNATH LANDMARK DEVELOPERS PRIVATE LIMITED**  
**Notes forming part of financial statements**

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**Note 1: Corporate information**

Parsvnath Landmark Developers Private Limited ("the Company") was incorporated on 6 October, 2003 and became a subsidiary of Parsvnath Developers Limited with effect from 5 March, 2007. The Company is primarily engaged in the business of promotion, construction, development of residential buildings, flats, apartments, integrated township 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 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.

**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 (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.

**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.

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**PARSVNATH LANDMARK DEVELOPERS PRIVATE LIMITED**  
**Notes forming part of financial statements**

**g. Depreciation**

Depreciation on tangible fixed assets is provided on the straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, accordingly the useful life of fixed assets is considered as below:

<b>Assets</b>	<b>Useful life</b>
Building	60 years
Plant and machinery (including office equipment)	8 years
Shuttering and scaffolding	6 years
Furniture and fixtures	8 years
Motor vehicles	8 years
Computers	3 years

**h. Revenue recognition**

Revenue from real estate project is recognised on the 'Percentage of Completion Method' of accounting. Revenue is recognised, 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 revised 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. 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.

**k. Foreign currency transactions and translations**

Initial recognition:

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date:

Foreign currency monetary items of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

Treatment of exchange differences:

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of profit and loss.



**PARSVNATH LANDMARK DEVELOPERS PRIVATE LIMITED**  
**Notes forming part of financial statements**

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**i. Employee benefits**

Gratuity to employees and liability for balance of unavailed earned leave due to employees is provided as per management estimate of the liability based on period of service and last salary drawn.

**m. Borrowing costs**

Borrowing cost include interest; and amortisation of ancillary costs. 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. 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.

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**PARSVNATH LANDMARK DEVELOPERS PRIVATE LIMITED**  
**Notes forming part of financial statements**

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**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 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.

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**PARSVNATH LANDMARK DEVELOPERS 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	₹
<b>i. Authorised</b>				
Equity shares of ₹ 10 each				
(a) Class A	27,20,101	2,72,01,010	27,20,101	2,72,01,010
(b) Class B	7,40,000	74,00,000	7,40,000	74,00,000
	<b>34,60,101</b>	<b>3,46,01,010</b>	<b>34,60,101</b>	<b>3,46,01,010</b>
<b>ii. Issued, subscribed and fully paid-up</b>				
Equity Shares of ₹ 10 each fully paid				
(a) Class A	27,20,101	2,72,01,010	27,20,101	2,72,01,010
(b) Class B	5,61,951	56,19,510	5,61,951	56,19,510
	<b>32,82,052</b>	<b>3,28,20,520</b>	<b>32,82,052</b>	<b>3,28,20,520</b>

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

	Year ended 31 March, 2015		Year ended 31 March, 2014	
	Number	₹	Number	₹
<b>i. Class A</b>				
Opening balance	27,20,101	2,72,01,010	27,20,101	2,72,01,010
Closing balance	27,20,101	2,72,01,010	27,20,101	2,72,01,010
<b>ii. Class B</b>				
Opening balance	5,61,951	56,19,510	5,61,951	56,19,510
Closing balance	5,61,951	56,19,510	5,61,951	56,19,510

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

- i. Class B Shares are entitled to a dividend in preference to Class A shares as provided in the Shareholders Agreement dated January 6, 2011.
- ii. Each equity holder of each class is entitled to one vote per share.

**(c) Details of equity shares held by the Holding Company**

Class A Parsvnath Developers Limited	As at	As at
	31 March, 2015 Number	31 March, 2014 Number
	25,60,000	25,60,000

**(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
<b>i. Class A</b>				
Parsvnath Developers Limited	25,60,000	94.11%	25,60,000	94.11%
Sterling Pathway	1,60,101	5.89%	1,60,101	5.89%
<b>ii. Class B</b>				
Sterling Pathway	5,61,950	100.00%	5,61,950	100.00%

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**PARSVNATH LANDMARK DEVELOPERS PRIVATE 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 account</b>		
Opening balance	38,49,52,396	38,49,52,396
Closing balance	<b>38,49,52,396</b>	<b>38,49,52,396</b>
<b>ii. General reserve</b>		
Opening balance	13,50,00,000	13,50,00,000
Closing balance	<b>13,50,00,000</b>	<b>13,50,00,000</b>
<b>iii. Surplus in Statement of Profit and Loss</b>		
Opening balance	86,49,29,053	87,80,40,388
Add/(less): profit/(loss) for the year	<u>(12,45,49,693)</u>	<u>(1,31,11,335)</u>
Closing balance	<b>74,03,79,360</b>	<b>86,49,29,053</b>
<b>TOTAL</b>	<b><u>1,26,03,31,756</u></b>	<b><u>1,38,48,81,449</u></b>

**Note 5: Long-term borrowings**

**i. Secured**

Term loans - other than banks

Term loan is secured by an exclusive first charge and English mortgage (without possession) over all the assets present and future, properties including lease hold interest on the project land of 'La Tropicana project', receivables, present and future and further secured by guarantee of Holding Company Parsvnath Developers Limited along with pledge of all Class A shares of the Company held by its Holding Company. The term loan carries interest @ 11.02 % plus 3 months MIBOR which is presently 19.67% and was repayable by twelve equal quarterly instalment by the end of financial year 2014-2015 and first instalment commencing from 31 March, 2012.

**ii. Unsecured**

15.25%, Convertible Debentures  
75,78,264 (31 March, 2014: 75,78,264) Fully and Compulsorily convertible debentures of ₹ 100 each

75,78,26,400

75,78,26,400

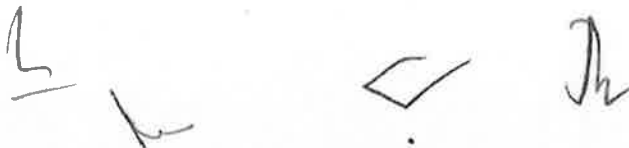
Debentures are convertible at the option of the holder at anytime on or prior to mandatory conversion date 12 June, 2024 in such number of equity shares at such price as may be mutually decided.

**75,78,26,400**

**75,78,26,400**

**Notes:**

a. Details of Current Maturities of long-term borrowings is stated in item 'i' of note 8 - 'Other current liabilities'.



**PARSVNATH LANDMARK DEVELOPERS PRIVATE 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 6: Short-term borrowings</b>		
<b>Unsecured</b>		
Loan repayable on demand		
i. From related party	<u>1,48,14,861</u>	<u>3,16,92,354</u>

**Note 7: Trade payables**

Trade Payables - other than acceptances	<u>12,20,44,292</u>	<u>15,58,10,829</u>
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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 8: Other current liabilities**

i. Current maturities of long-term borrowings (see note below)	46,66,66,664	46,66,66,664
ii. Interest accrued but not due on borrowings	1,99,47,444	1,99,47,444
iii. Interest accrued and due on borrowings (see note below)	25,39,37,925	6,80,09,519
iv. Advances from customers	50,70,045	55,29,595
v. Security deposits received	1,72,07,723	1,61,05,755
vi. Refund due to customers	2,13,98,842	
vii. Book overdraft - banks	2,68,544	
viii. Statutory liabilities (Provident Fund, Withholding taxes, WCT, etc.)	<u>2,24,24,878</u>	<u>5,35,13,470</u>
	<u>80,69,22,065</u>	<u>62,97,72,447</u>

**Notes:**

- Details of Security for current maturities of long-term borrowings is stated in item 'i' of note 5 - 'Long-term'
- Defaults in repayment of term loan installment and interest as at the end of the year are as follows:

	<u>As at</u> <u>31 March, 2015</u>	
	<u>Period</u> <u>default</u>	<u>Amount</u> ₹
-Principal	366 days	11,66,66,666
-Principal	275 days	11,66,66,666
-Principal	183 days	11,66,66,666
-Principal	101 days	11,66,66,666
-Interest on term loan	366 days	2,07,95,178
-Interest on term loan	275 days	2,37,88,440
-Interest on term loan	183 days	2,53,04,141
-Interest on term loan	91 days	2,75,55,573
-Interest on term loan	1 day	2,83,82,284
-Interest on debentures	540 days	2,68,23,620
-Interest on debentures	448 days	2,03,90,721
-Interest on debentures	358 days	1,99,47,444
-Interest on debentures	267 days	2,01,69,082
-Interest on debentures	175 days	2,03,90,721
-Interest on debentures	83 days	2,03,90,721

**Note 9: Short-term provisions**

i. For employee benefits		
- Compensated absences	82,214	94,356
- Gratuity	<u>2,85,675</u>	<u>2,14,747</u>
	<u>3,67,889</u>	<u>3,09,103</u>

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**PARSVNATH LANDMARK DEVELOPERS PRIVATE LIMITED**  
Notes forming part of the financial statements

**Note 10: Fixed Assets (owned)**

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 (see note 32)	As at 31 March, 2015	As at 31 March, 2015	As at 31 March, 2014
Plant and equipment	82,24,826 (82,24,826)	82,24,826 (82,24,826)	58,14,282 (47,81,192)	3,90,860 (10,33,090)	62,05,142 (58,14,282)	20,19,684 (24,10,544)	24,10,544 (34,43,634)
Furniture and fixtures	36,57,135 (36,57,135)	36,57,135 (36,57,135)	34,62,516 (33,79,108)	1,68,510 (83,408)	36,31,026 (34,62,516)	26,109 (1,94,619)	1,94,619 (2,78,027)
Vehicles	5,29,338 (5,29,338)	5,29,338 (5,29,338)	2,42,946 (1,42,896)	48,262 (1,00,050)	2,91,208 (2,42,946)	2,38,130 (2,86,392)	2,86,392 (3,86,441)
Office equipment	3,86,018 (3,86,018)	3,86,018 (3,86,018)	3,37,160 (3,16,221)	48,856 (20,939)	3,86,016 (3,37,160)	2 (48,858)	48,858 (69,797)
Computers	2,39,850 (2,39,850)	2,39,850 (2,39,850)	2,39,725 (2,39,536)	125 (189)	2,39,850 (2,39,725)	- (125)	125 (314)
<b>Total</b>	<b>1,30,37,167</b>	<b>1,30,37,167</b>	<b>1,00,96,629</b>	<b>6,56,613</b>	<b>1,07,53,242</b>	<b>22,83,925</b>	<b>29,40,538</b>
<b>Previous year</b>	1,30,37,167	1,30,37,167	88,58,953	12,37,676	1,00,96,629	29,40,538	41,78,214

Figures in brackets relates to previous year.

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**PARSVNATH LANDMARK DEVELOPERS PRIVATE LIMITED**  
Notes forming part of the financial statements

	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
<b>Note 11: Deferred tax assets</b>		
Tax effect of items constituting deferred tax assets:		
i. Provision for employee benefits	1,19,362	1,00,288
ii. Differences between book balance and tax balance of fixed assets	9,92,940	9,61,274
iii. Unabsorbed depreciation and carry forward business loss	5,57,25,997	42,68,076
	<u>5,68,38,299</u>	<u>53,29,638</u>
<b>Note:</b>		
The Company has recognised deferred tax assets on unabsorbed depreciation and carry forward business losses based on management estimate of future profits considering the flat buyer agreements executed by the Company against which revenue will be recognised in future years on proportionate completion method.		
<b>Note 12: Long-term loans and advances</b> (Unsecured, considered good)		
i. Advance to a related party for land purchase (see note 29)	41,43,72,254	50,55,00,000
ii. Advance income tax [(Net of provision of Rs. 17,622,905); 31 March, 2014: Rs. 387,628,411]	71,22,905	29,98,165
	<u>42,14,95,159</u>	<u>50,84,98,165</u>
<b>Note 13: Inventories</b> (Valued at lower of cost and net realisable value)		
Work-in-progress	<u>1,22,77,98,077</u>	<u>1,20,12,42,279</u>
Note: Inventory of work-in-progress comprise 'Properties under development'		
<b>Note 14: Trade receivables</b> (Unsecured, considered good)		
i. Outstanding for a period exceeding six months from the date they are due for payment	42,32,91,614	45,73,33,345
ii. Other trade receivables	2,04,12,735	9,61,18,996
	<u>44,37,04,349</u>	<u>55,34,52,341</u>
<b>Note 15: Cash and cash equivalents</b>		
(a) Cash on hand	5,32,983	97,628
(b) Cheques on hand	1,03,30,707	
(c) Balance with banks:		
(i) In current accounts	3,60,208	6,62,94,694
	<u>1,12,23,898</u>	<u>6,63,92,322</u>
<b>Note 16: Short-term loans and advances</b> (Unsecured, considered good)		
i. Security deposits to related party (see note 30)	-	4,60,00,000
ii. Security deposits - others	20,32,344	20,32,344
iii. Prepaid expenses	2,69,591	7,76,969
iv. Balances with Government authorities		
(a) CENVAT credit receivable	1,38,37,193	1,26,73,773
v. Mobilisation advance to contractors	1,01,27,075	1,23,61,104
vi. Advances to suppliers	23,32,88,473	23,32,98,887
	<u>25,95,54,676</u>	<u>30,71,43,077</u>
<b>Note 17: Other current assets</b> (Unsecured, considered good)		
i. Unbilled receivable	57,22,29,400	34,81,14,742
	<u>57,22,29,400</u>	<u>34,81,14,742</u>

**PARSVNATH LANDMARK DEVELOPERS PRIVATE LIMITED**  
Notes forming part of the financial statements

	<b>Year ended 31 March, 2015</b>	<b>Year ended 31 March, 2014</b>
	₹	₹
<b>Note 18: Revenue from operations</b>		
i. Sale of properties	18,92,86,087	66,57,87,792
ii. Other operating revenues		
(a) Scrap sale	5,145	3,09,712
(b) Others	36,35,273	27,94,751
	<b>19,29,26,505</b>	<b>66,88,92,255</b>
Revenue from sale of properties comprise revenue recognised on Real Estate Projects on 'Percentage of completion method' (See note 2h)		
<b>Note 19: Other income</b>		
i. Interest on bank deposits		24,49,269
ii. Interest from customers	10,86,672	3,76,700
	<b>10,86,672</b>	<b>28,25,969</b>
<b>Note 20: Cost of materials consumed</b>		
Construction material	8,09,33,018	15,65,22,218
	<b>8,09,33,018</b>	<b>15,65,22,218</b>
<b>Note 21: Changes in inventories of work-in-progress</b>		
i. Opening inventory of work-in-progress	1,20,12,42,279	1,25,63,73,272
ii. Closing inventory of work-in-progress	1,22,77,98,077	1,20,12,42,279
<b>Net (increase)/decrease</b>	<b>(2,65,55,798)</b>	<b>5,51,30,993</b>
<b>Note 22: Employee benefits expense</b>		
i. Salaries and wages	27,44,356	27,36,659
ii. Staff welfare expenses	8,849	9,360
	<b>27,53,205</b>	<b>27,46,019</b>

**PARSVNATH LANDMARK DEVELOPERS PRIVATE LIMITED**  
**Notes forming part of the financial statements**

	Year ended 31 March, 2015	Year ended 31 March, 2014
	₹	₹
<b>Note 23: Finance costs</b>		
i. Interest expenses on:		
(a) Term loan - other than banks	11,67,00,486	15,97,64,366
(b) Debentures	11,55,68,526	11,57,50,163
(c) On delayed payment of statutory dues	1,38,07,802	18,94,732
	<b>24,60,76,814</b>	<b>27,74,09,261</b>
ii. Other borrowing costs	2,93,163	31,00,659
	<b>24,63,69,977</b>	<b>28,05,09,920</b>

**Note 24: Other expenses**

i. Power and fuel charges	66,11,809	1,32,92,092
ii. Rent on shuttering material	12,00,000	66,080
iii. Repairs and maintenance - machinery	26,32,599	28,82,475
iv. Insurance	13,26,734	16,64,214
v. Rates and taxes	84,35,447	8,760
vi. Travelling and conveyance	1,260	4,49,014
vii. Printing and stationery	1,22,692	3,42,438
viii. Sales commission	1,06,633	18,45,775
ix. Legal and professional charges	61,74,896	1,38,69,101
x. Project Consultancy Fees	29,79,532	4,04,91,909
xi. Payment to auditors (see note 'i' below)	12,04,810	10,12,063
xii. Advertisement and business promotion	5,04,000	1,53,46,281
xiii. Postage and telephone expenses	23,231	64,616
xiv. Miscellaneous expenses	47,38,154	53,58,862
	<b>3,60,61,797</b>	<b>9,66,93,680</b>

**Note 'i'**

**Payment to auditors (net of input tax credit where applicable)**

i. Statutory audit fees	12,00,000	10,00,000
ii. Reimbursement of expenses	4,810	12,063
	<b>12,04,810</b>	<b>10,12,063</b>

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**PARSVNATH LANDMARK DEVELOPERS PRIVATE LIMITED**  
Notes forming part of the financial statements

**Note 25:**

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

	<b>As at 31 March, 2015</b>	<b>As at 31 March, 2014</b>
	₹	₹
<b>Note 26: Contingent liabilities</b>		
Claims against the Company not acknowledged as debts*		
- Customers complaints pending in consumer court	8,20,71,096	3,64,56,208
- Demand raised by Income tax authorities for which the Company has gone in appeal	<u>3,03,604</u>	<u>3,03,604</u>
	<b><u>8,23,74,700</u></b>	<b><u>3,67,59,812</u></b>

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

**Note 27: Expenditure in foreign currency**

Interest on debentures	<u>11,55,68,526</u>	<u>11,57,50,163</u>
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**Note 28: 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.

**Note 29: Employee benefits**

Disclosures as required under Accounting Standard -15 (Revised) on 'Employee Benefits' for Gratuity is as under:

	<b>As at 31 March, 2015</b>	<b>As at 31 March, 2014</b>
	₹	₹
Liability at the beginning of the year	2,14,747	1,50,954
Current service cost	70,928	63,793
Liability at the end of the year	2,85,675	2,14,747
Expenses recognised in the Statement of Profit and Loss	70,928	63,793

**Note 30: Related party disclosures**

**i. List of related parties**

- (a) Holding Company**  
- Parsvnath Developers Limited (PDL)
- (b) Companies having significant influence**  
- Sterling Pathway (SP)  
- Banrod Investments Limited (BIL)

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

	<b>PDL</b>	<b>BIL</b>	<b>SP</b>
	₹	₹	₹
<b>(a) Transactions during the year</b>			
Interest on debentures	(-)	11,55,68,526 (11,57,50,163)	(-)
Short-term loan received	(3,16,92,354)	(-)	(-)
Short-term loan repaid	1,68,77,493 (-)	(-)	(-)
Advance for land purchase returned	9,11,27,746 (-)	(-)	(-)
Security deposit returned	4,60,00,000 (-)	(-)	(-)

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**PARSVNATH LANDMARK DEVELOPERS PRIVATE LIMITED**  
Notes forming part of the financial statements

	PDL ₹	BIL ₹	SP ₹
<b>(b) Balances at year-end</b>			
Creditors	54,545 (54,545)	-	-
Short term borrowings	1,48,14,861 (3,16,92,354)	-	-
Advance for land purchase	41,43,72,254 (50,55,00,000)	-	-
Security Deposit given	(4,60,00,000)	-	-
Equity Share Capital	2,56,00,000 (2,56,00,000)	-	72,20,510 (72,20,510)
Interest accrued but not due on debentures	-	1,99,47,444 (1,99,47,444)	-
Interest accrued and due on debentures	-	12,81,12,309 (4,72,14,341)	-
Fully Convertible Debentures issued	-	75,78,26,400 (75,78,26,400)	-
Financial Guarantees	46,66,66,664 (46,66,66,664)	-	-

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

**Note 31: Earnings per share**

i. Net profit for calculation of basic and diluted earnings per share	(12,45,49,693)	(1,31,11,335)
ii. Weighted average number of equity shares outstanding during the year (see note 'I' below)	32,82,052	32,82,052
iii. Basic and diluted earnings per share	(37.95)	(3.99)
iv. Nominal value of equity shares	10	10

**Note 'I'**

Convertible debentures shall be converted on the fifteenth anniversary of the Investment Agreement in such number of class B equity shares as may be decided and as such have not been considered while computing the weighted and diluted EPS as number of shares to be allotted are not ascertainable. However, Investor has an option for early conversion subject to certain conditions specified in the agreement.

**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 depreciation policy and estimated life, depreciation charge for the year is lower by Rs. 213,738.

**Note 33: Previous year's figures**

Previous year's 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**



**PRADEEP KUMAR JAIN**  
Director  
DIN: 00333486



**SANJEEV KUMAR JAIN**  
Director  
DIN: 00333881



**RAHUL KWATRA**  
Company Secretary  
Membership No. A16754

Place: New Delhi  
Date: 14 May, 2015

