

PARSVNATH MIDC PHARMA SEZ PRIVATE LIMITED
Balance Sheet as at 31 March, 2015

	Note No.	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
I EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	3	4,99,00,000	4,99,00,000
(b) Reserves and surplus	4	<u>(2,92,48,825)</u>	<u>(7,19,817)</u>
		2,06,51,175	4,91,80,183
2. Current liabilities			
(a) Trade payables	5	6,000	12,000
(b) Other current liabilities	6	<u>35,23,449</u>	<u>8,31,04,426</u>
		35,29,449	8,31,16,426
TOTAL		<u>2,41,80,624</u>	<u>13,22,96,609</u>
II ASSETS			
1. Non-current assets			
(a) Fixed assets			
Capital work-in-progress	7	-	<u>13,22,50,139</u>
			13,22,50,139
2. Current assets			
(a) Cash and bank balances	8	12,624	46,470
(b) Short Term Loans & Advances	9	<u>2,41,68,000</u>	<u>-</u>
		2,41,80,624	46,470
TOTAL		<u>2,41,80,624</u>	<u>13,22,96,609</u>

See accompanying notes forming part of the financial statements

1-13

In terms of our report attached.

For **ANUJ & ASSOCIATES**
Chartered Accountants

Anuj Jain
Partner
M. No. 87831



For and on behalf of Board of Directors

Vivek Gara
Director

Yogesh Jain
Director

Place: Delhi
Date: 18.05.2015

PARSVNATH MIDC PHARMA SEZ 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. Other income		-	-
Total Revenue		-	-
2. Expenses			
Other expenses	10	2,85,29,008	11,664
Total Expenses		2,85,29,008	11,664
3. Profit before tax (1-2)		(2,85,29,008)	(11,664)
4. Tax expenses		-	-
5. Profit after tax (3-4)		(2,85,29,008)	(11,664)
6. Earnings per equity share [nominal value of share ₹ 10 each]	11		
(a) Basic		(5.72)	(0.00)
(b) Diluted		(5.72)	(0.00)
See accompanying notes forming part of the financial statements	1-13		

In terms of our report attached.

For **ANUJ & ASSOCIATES**
Chartered Accountants

Anuj Jain
Partner
M. No. 87831



For and on behalf of Board of Directors

Vivak Garg
Vivak Garg
Director

Yogesh Jain
Yogesh Jain
Director

Place: Delhi
Date: 18.05.2015

PARSVNATH MIDC PHARMA SEZ 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	(2,85,29,008)	(11,664)
	(2,85,29,008)	(11,664)
Adjustments for :		
Trade Payables	(6,000)	-
Current Liabilities	(7,95,80,977)	91,000
Short Term Loans & Advances	(2,41,68,000)	-
Cash generated from/(used in) operations	(13,22,83,985)	79,336
Direct taxes paid/deducted at source	-	-
Net cash from/(used in) operating activities	(13,22,83,985)	79,336
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets ,CWIP and Incidental expenditure during construction	13,22,50,139	(91,181)
Net cash from/(used in) investing activities	(13,22,50,139)	(91,181)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net cash from/(used in) financing activities	-	-
D Net increase/ (decrease) in cash and cash equivalents	(33,846)	(11,845)
E Cash and cash equivalents as at the beginning of the year	46,470	58,315
F Cash and cash equivalents as at the end of the year (See note 8)	12,624	46,470

In terms of our report attached

For ANUJ & ASSOCIATES
Chartered Accountants

Anuj Jain
Partner
(No. 87831)



For and on behalf of Board of Directors

Vivek Garg
Director

Yogesh Jain
Director

Place: Delhi
Date: 18.05.2015

Note1 :Corporate information

Parsvnath MIDC Pharma SEZ Private Limited was a Joint Venture between Parsvnath Infra Limited and Maharashtra Industrial Development Corporation till 28.03.2011 and with effect from 29.03.2011, it became a subsidiary of Parsvnath Infra Limited. It has been set up to carry on the activity of establishing, developing, maintaining and operating Special Economic Zones in the areas of pharmaceuticals, drugs and other related areas.

Note2 :Significant Accounting Policies

a. Basis of accounting

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with Generally Accepted Accounting Principles ('GAAP') in India to comply with Accounting Standards as prescribed under Section 133 of the Companies Act 2013.

b. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting policies requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported accounts of revenues and expenses for the years presented. Actual results could differ from these estimates.

c. 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.

d. 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.

e. Capital Work In Progress (CWIP)

CWIP includes:

- i. Advances given and expenditure incurred in connection with the purchase of fixed assets and pending allocation on acquisition of fixed assets.

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PARSVNATH MIDC PHARMA SEZ PRIVATE LIMITED
Notes forming part of the financial statements

- 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.

f. Taxation

Income tax comprises current tax, deferred tax. Current tax is the amount of tax payable as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax assets and liabilities are recognized for the future tax consequences of timing differences, subject to the consideration of prudence. Deferred tax assets and liabilities are measured using the tax rates enacted or substantively enacted by the balance sheet date.

g. Earnings per share

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period, as adjusted for the events of bonus issue. The weighted Diluted earning per equity shares are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period.

h. Provisions

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.

i. 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.

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PARSVNATH MIDC PHARMA SEZ PRIVATE LIMITED
Notes forming part of the financial statements

	As at 31 March, 2015		As at 31 March, 2014	
	Number	₹	Number	₹
Note 3: Share capital				
i. Authorised				
Equity shares of ₹ 10 each	50,00,000	5,00,00,000	50,00,000	5,00,00,000
	50,00,000	5,00,00,000	50,00,000	5,00,00,000
ii. Issued, subscribed and fully paid-up shares				
Equity Shares of ₹ 10 each fully paid	49,90,000	4,99,00,000	49,90,000	4,99,00,000
	49,90,000	4,99,00,000	49,90,000	4,99,00,000
(a) Reconciliation of number of shares outstanding as at beginning and as at the end of the period				
i. Shares outstanding at the beginning of the period	49,90,000	4,99,00,000	49,90,000	4,99,00,000
ii. Shares outstanding at the end of the period	49,90,000	4,99,00,000	49,90,000	4,99,00,000

(b) Terms/rights attached to equity shares

- i. Each equity holder of each class is entitiled to one vote per share.

(c) Shares held by holding company

Out of equity shares of ₹ 10 each fully paid issued by the Company, shares held by

	As at 31 March, 2015 Number	As at 31 March, 2014 Number
Parsvnath Infra Limited	49,90,000	49,90,000

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

	As at 31 March, 2015		As at 31 March, 2014	
	Number	% holding	Number	% holding
Equity shares of ₹ 10 each fully paid				
Parsvnath Infra Limited	49,90,000	100.00%	49,90,000	100.00%

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PARSVNATH MIDC PHARMA SEZ PRIVATE LIMITED
Notes forming part of the financial statements

	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
Note 4: Reserves & Surplus		
Deficit in the statement of Profit and Loss		
Opening Balance	(7,19,817)	(7,08,153)
Add: Loss for the year	(2,85,29,008)	(11,664)
Closing balance	(2,92,48,825)	(7,19,817)

Note 5: Trade payables

Trade Payables	6,000	12,000
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As per the information available with the Company, sundry creditors do not include any amount due to Micro, Medium 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 6: Other current liabilities

i. Payables on purchase of fixed assets		
a. for land	-	7,73,36,122
b. others		23,74,855
ii. Due to holding company	35,23,449	33,93,449
	35,23,449	8,31,04,426

Note 7: Fixed Assets

Capital work in progress	-	13,22,50,139
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Note 8: Cash and cash equivalents

i. Cash in hand	2,351	3,444
ii. Balance with scheduled banks: In current accounts	10,273	43,026
	12,624	46,470

Note 9: Short Term Loans & Advances
(Unsecured, considered good)

i. Advance for land purchase to related parties	2,41,68,000	-
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PARSVNATH MIDC PHARMA SEZ PRIVATE LIMITED
Notes forming part of the financial statements

	Year ended 31 March, 2015	Year ended 31 March, 2014
	₹	₹
Note 10: Other expenses		
i. Legal and professional charges	4,814	1,700
ii. Payment to auditors (see note 'i' below)	6,000	6,000
iii. Fees & Taxes	5,949	1,612
iv. Bank charges	142	597
v. Other expenses	750	1,755
vi. Loss on abandonment of project	2,85,11,353	-
	2,85,29,008	11,664

Note 'i'

Payment to auditors (exclusive of service tax)

(a) Statutory audit fees	6,000	6,000
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Note 11: Earnings per share

i. Net profit for calculation of basic and diluted earnings per share	(2,85,29,008)	(11,664)
ii. Weighted average number of equity shares outstanding during the year	49,90,000	49,90,000
iii. Basic and diluted earnings per share	(5.72)	(0.00)
iv. Nominal value of equity shares	10	10



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PARSVNATH MIDC PHARMA SEZ PRIVATE LIMITED
Notes forming part of the financial statements

Note 12: Related party disclosures

- i. **List of related parties**
- (a) **Ultimate Holding Company**
- Parsvnath Developers limited
- (b) **Holding Company**
- Parsvnath Infra Limited(Formerly Parsvnath SEZ Limited)
- (c) **Investors with ability to exercise significant influence**
- Maharashtra Industrial Development Corporation(MIDC)*
* ceased during the year
- ii. **Balances outstanding/transactions with related parties**

	Parsvnath Infra Limited	MIDC
	₹ lacs	₹ lacs
(a) Transactions during the year		
Advances Received	1,30,000 (2,56,000)	- (-)
Advances paid for purchase of land	2,41,68,000 (-)	- (-)
(b) Balances at year-end		
Creditors	35,23,449 (33,93,449)	- (7,73,36,122)
Advance for land purchase	2,41,68,000 (-)	- (-)

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

Note 13: Additional information to the financial statements

13.1 The Company has been issued a show cause notice by Maharashtra Industrial Development Corporation (MIDC) for not making timely payments of instalments and implementing the SEZ project. The company has represented its case before MIDC for rescheduling of instalments towards land consideration due to certain pending resolution with them. MIDC had given an option to the company to seek refund of the instalment and the company has accepted the proposal.

During the year, the company has received the refund of Rs2.41 crores from MIDC vide refund order dated 16th January, 2015. The possession of the plot has been handed over to the MIDC and the loss on abandonment of the project has been recognised in the book of accounts.

13.2 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' have not been provided in the financial statements.

13.3 Comparatives as at 31 March, 2014

Figures as at 31 March, 2014 have been regrouped / reclassified wherever necessary to correspond with the classification/disclosure as at 31 March, 2015.



For and on behalf of Board of Directors

Vivek Garg
Vivek Garg
Director

Yogesh Jain
Yogesh Jain
Director

Place: New Delhi
Date: 18.05.2015