

**PARSVNATH PROMOTERS AND 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	33,20,000	33,20,000
(b) Reserves and surplus	4	30,82,69,274	31,43,29,573
		<b>31,15,89,274</b>	<b>31,76,49,573</b>
<b>2. Non-current liabilities</b>			
(a) Long-term borrowings	5	<b>2,74,76,39,040</b>	<b>2,74,76,39,040</b>
<b>3. Current liabilities</b>			
(a) Trade payables	6	50,562	2,68,540
(b) Other current liabilities	7	55,84,54,432	43,99,19,929
		<b>55,85,04,994</b>	<b>44,01,88,469</b>
<b>TOTAL</b>		<b>3,61,77,33,308</b>	<b>3,50,54,77,082</b>
<b>II ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Long-term loans and advances	8	<b>1,780</b>	<b>6,35,890</b>
<b>2 Current assets</b>			
(a) Cash and cash equivalents	9	8,35,274	5,72,055
(b) Short-term loans and advances	10	5,591	6,535
(c) Other current assets	11	3,61,68,90,663	3,50,42,62,602
		<b>3,61,77,31,528</b>	<b>3,50,48,41,192</b>
<b>TOTAL</b>		<b>3,61,77,33,308</b>	<b>3,50,54,77,082</b>

See accompanying notes forming part of the financial statements 1-21

In terms of our report attached

**For Jain Sushil Kumar & Associates**  
Chartered Accountants  
(Firm Registration No. 006256N)

*Ajay Jain*  
**Ajay Jain**  
Partner  
(Membership No. 509161)

Place: New Delhi  
Date: May 21, 2015

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

*Yogesh Jain*  
**YOGESH JAIN**  
Director  
(DIN: 00088662)

*Manoj Kumar Joshi*  
**MANOJ KUMAR JOSHI**  
Director  
(DIN: 01573717)

Place: New Delhi  
Date: May 21, 2015

**PARSVNATH PROMOTERS AND DEVELOPERS 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	12	44,390	52,016
<b>Total revenue</b>		<b>44,390</b>	<b>52,016</b>
2. Expenses			
(a) Finance costs	13	59,51,714	19,15,507
(b) Other expenses	14	1,52,975	3,26,934
<b>Total expenses</b>		<b>61,04,689</b>	<b>22,42,441</b>
3. Net (Loss) for the year (1-2)		<b>(60,60,299)</b>	<b>(21,90,425)</b>
4. Earnings per equity share [nominal value of share ₹ 10 each]	15		
(a) Basic		(18.25)	(6.60)
(b) Diluted		(18.25)	(6.60)

See accompanying notes forming part of the financial statements 1-21

In terms of our report attached

**For Jain Sushil Kumar & Associates**  
Chartered Accountants  
(Firm Registration No. 006256N)

**Ajay Jain**  
Partner  
(Membership No. 509161)



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

**YOGESH JAIN**  
Director  
(DIN: 00088662)

**MANOJ KUMAR JOSHI**  
Director  
(DIN: 01573717)

Place: New Delhi  
Date: May 21, 2015

**PARSVNATH PROMOTERS AND DEVELOPERS PRIVATE LIMITED**  
**Cash Flow Statement for the year ended 31 March, 2015**

	<u>Year ended</u> <u>31 March, 2015</u>	<u>Year ended</u> <u>31 March, 2014</u>
	₹	₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net (loss) before tax	(60,60,299)	(21,90,425)
Adjustments for :		
Finance costs	57	327
Interest Income	44,390	52,016
Operating profit/(loss) before working capital changes	<u>(60,15,852)</u>	<u>(21,38,082)</u>
Adjustments for :		
Short term loans and advances	944	(6,535)
Other current assets	(11,26,28,061)	28,67,11,064
Trade payables	(2,17,978)	1,23,596
Other current liabilities	11,85,34,446	15,14,33,829
Cash generated from/(used in) operations	<u>(3,26,501)</u>	<u>43,61,23,872</u>
Direct taxes paid/deducted at source (net)	6,34,108	8,00,275
<b>Net cash flow from / (used in) operating activities</b>	<u><b>3,07,607</b></u>	<u><b>43,69,24,147</b></u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest received	(44,390)	(52,016)
<b>Net cash flow from / (used in) investing activities</b>	<u><b>(44,390)</b></u>	<u><b>(52,016)</b></u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from short term borrowings	-	(43,64,19,817)
<b>Net cash flow from / (used in) financing activities</b>	<u><b>-</b></u>	<u><b>(43,64,19,817)</b></u>
<b>D. Net increase/ (decrease) in cash and cash equivalents</b>	<b>2,63,217</b>	<b>4,52,314</b>
<b>E. Cash and cash equivalents as at the beginning of the year</b>	5,72,055	1,19,741
<b>F. Cash and cash equivalents as at the end of the year (see note 9)</b>	<u><b>8,35,272</b></u>	<u><b>5,72,055</b></u>

In terms of our report attached

**For Jain Sushil Kumar & Associates**  
Chartered Accountants  
(Firm Registration No. 006256N)

**Ajay Jain**  
Partner  
(Membership No. 509161)

Place: New Delhi  
Date: May 21, 2015

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

**YOGESH JAIN**  
Director  
(DIN: 00088662)

Place: New Delhi  
Date: May 21, 2015

**MANOJ KUMAR JOSHI**  
Director  
(DIN: 01573717)

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

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**Note 1: Background**

Parsvnath Promoters and Developers Private Limited ("the Company") was incorporated as Luba Real Estate Private Limited on 24 July, 2007. The name of the Company has been changed to 'Parsvnath Promoters and Developers Private Limited' with effect from 24 January, 2011 and fresh certificate of incorporation was issued by Registrar of Companies, Delhi and Haryana. The Company became subsidiary of Parsvnath Developers Limited with effect from 19 November, 2010 and is engaged in the business of promotion, construction and development of residential projects.

**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 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of 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 1956 Act/ 2013 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. 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.





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

**f. Other income**

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

**g. Borrowing costs**

Borrowing costs include interest; amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. 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.

**h. 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. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

**i. Taxes on income**

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

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

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 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.



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

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**j. 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.

**k. 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.

**l. 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 PROMOTERS AND 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	3,32,000	33,20,000	3,32,000	33,20,000
	<u>3,32,000</u>	<u>33,20,000</u>	<u>3,32,000</u>	<u>33,20,000</u>
<b>ii. Issued, subscribed and fully paid-up</b>				
Equity Shares of ₹ 10 each fully paid	3,32,000	33,20,000	3,32,000	33,20,000
	<u>3,32,000</u>	<u>33,20,000</u>	<u>3,32,000</u>	<u>33,20,000</u>
<b>(a) Reconciliation of number and amount of equity shares outstanding at the beginning and at the end of the year</b>				
i. Shares outstanding at the beginning of the year	3,32,000	33,20,000	3,32,000	33,20,000
Shares outstanding at the end of the year	<u>3,32,000</u>	<u>33,20,000</u>	<u>3,32,000</u>	<u>33,20,000</u>

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

The Company has issued one class of equity shares having face value of Rs. 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 Holding Company**

	As at 31 March, 2015	As at 31 March, 2014
Parsvnath Developers Limited	Number 1,69,326	Number 1,69,326

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

	As at 31 March, 2015		As at 31 March, 2014	
	Number	% of Holding	Number	% of Holding
i. Parsvnath Developers Limited	1,69,326	51%	1,69,326	51%
ii. Green Destinations Holdings	1,62,674	49%	1,62,674	49%







**PARSVNATH PROMOTERS AND 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</b>		
Opening balance	32,84,06,520	32,84,06,520
<b>Closing balance</b>	<b>32,84,06,520</b>	<b>32,84,06,520</b>
<b>ii. Deficit in the Statement of Profit and Loss</b>		
Opening balance	(1,40,76,947)	(1,18,86,522)
Add: loss during the year	(60,60,299)	(21,90,425)
<b>Closing balance</b>	<b>(2,01,37,246)</b>	<b>(1,40,76,947)</b>
	<b>30,82,69,274</b>	<b>31,43,29,573</b>
<b>Note 5: Long-term borrowings</b>		
<b>Unsecured debentures</b>		
i. 9,34,07,252 (Previous year 9,34,07,252) 16.00% fully convertible debentures- Series I of ₹ 10 each	93,40,72,520	93,40,72,520
Each debenture is convertible into one equity share entitled to dividend and/or one different class of share (collectively entitled to 0.001% of the voting rights) on the terms and conditions mentioned in the 'Investment and Security Holder's Agreement' dated 23 November, 2010 as amended by the first supplementary agreement dated 31 March 2011		
ii. 8,79,26,556 (Previous year 8,79,26,556) 16% fully convertible debentures- Series II of ₹ 10 each	87,92,65,560	87,92,65,560
Each debenture is convertible into one different class of share entitled to dividend (collectively entitled to 0.001% of the voting rights) on the terms and conditions mentioned in the 'Investment and Security Holder's Agreement' dated 23 November, 2010 as amended by the first supplementary agreement dated 31 March 2011		
iii. 9,34,30,096 (Previous year 9,34,30,096) 16% optionally convertible debentures of ₹ 10 each	93,43,00,960	93,43,00,960
Each debenture is convertible into calculated number of different class of shares (entitled for dividend) to ensure that shareholding of the promoter is equal to 51% of the total issued and paid up capital of the Company on the terms and conditions mentioned in the 'Investment and Security Holder's Agreement' dated 23 November, 2010 as amended by the first supplementary agreement dated 31 March 2011		
	<b>2,74,76,39,040</b>	<b>2,74,76,39,040</b>








**PARSVNATH PROMOTERS AND 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</b>		
Opening balance	32,84,06,520	32,84,06,520
<b>Closing balance</b>	<b>32,84,06,520</b>	<b>32,84,06,520</b>
<b>ii. Deficit in the Statement of Profit and Loss</b>		
Opening balance	(1,40,76,947)	(1,18,86,522)
Add: loss during the year	(60,60,299)	(21,90,425)
<b>Closing balance</b>	<b>(2,01,37,246)</b>	<b>(1,40,76,947)</b>
	<b>30,82,69,274</b>	<b>31,43,29,573</b>

**Note 5: Long-term borrowings**

**Unsecured debentures**

- |   |              |              |
|---|--------------|--------------|
| i. 9,34,07,252 (Previous year 9,34,07,252) 16.00% fully convertible debentures- Series I of ₹ 10 each | 93,40,72,520 | 93,40,72,520 |
|---|--------------|--------------|

Each debenture is convertible into one equity share entitled to dividend and/or one different class of share (collectively entitled to 0.001% of the voting rights) on the terms and conditions mentioned in the 'Investment and Security Holder's Agreement' dated 23 November, 2010 as amended by the first supplementary agreement dated 31 March 2011

- |  |              |              |
|--|--------------|--------------|
| ii. 8,79,26,556 (Previous year 8,79,26,556) 16% fully convertible debentures- Series II of ₹ 10 each | 87,92,65,560 | 87,92,65,560 |
|--|--------------|--------------|

Each debenture is convertible into one different class of share entitled to dividend (collectively entitled to 0.001% of the voting rights) on the terms and conditions mentioned in the 'Investment and Security Holder's Agreement' dated 23 November, 2010 as amended by the first supplementary agreement dated 31 March 2011

- |   |              |              |
|---|--------------|--------------|
| iii. 9,34,30,096 (Previous year 9,34,30,096) 16% optionally convertible debentures of ₹ 10 each | 93,43,00,960 | 93,43,00,960 |
|---|--------------|--------------|

Each debenture is convertible into calculated number of different class of shares (entitled for dividend) to ensure that shareholding of the promoter is equal to 51% of the total issued and paid up capital of the Company on the terms and conditions mentioned in the 'Investment and Security Holder's Agreement' dated 23 November, 2010 as amended by the first supplementary agreement dated 31 March 2011

<b>2,74,76,39,040</b>	<b>2,74,76,39,040</b>
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*(Signature)*



**PARSVNATH PROMOTERS AND 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: Trade payables</b>		
Trade Payables - other than acceptances	50,562	2,68,540
	<u>50,562</u>	<u>2,68,540</u>
As per the information available with the Company, trade payables do not include any amount due to Micro, Small and Medium 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.		
<b>Note 7: Other current liabilities</b>		
i. Statutory liabilities	4,11,60,437	2,99,39,690
ii. Interest accrued but not due on borrowings	50,60,67,269	40,47,02,015
iii. Others	1,12,26,726	52,78,224
	<u>55,84,54,432</u>	<u>43,99,19,929</u>
<b>Note 8: Long-term loans and advances</b>		
Advance income tax	<u>1,780</u>	<u>6,35,890</u>
<b>Note 9: Cash and cash equivalents</b>		
i. Cash on hand	12	17,390
ii. Balance with banks:		
a. In current accounts	8,35,262	5,54,665
	<u>8,35,274</u>	<u>5,72,055</u>
<b>Note 10: Short-term loans and advances</b>		
Prepaid expenses	<u>5,591</u>	<u>6,535</u>
<b>Note 11: Other current assets</b> (Unsecured, considered good)		
Receivable from related party against assignment amount (see note 16)	<u>3,61,68,90,663</u>	<u>3,50,42,62,602</u>

*(Signature)*      (M)



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

	Year ended 31 March, 2015 ₹	Year ended 31 March, 2014 ₹
<b>Note 12: Other income</b>		
i. Interest on Income tax	44,390	52,016
	<b>44,390</b>	<b>52,016</b>
<b>Note 13: Finance costs</b>		
i. Interest expenses		
(a) On borrowings		
- Debentures	11,26,28,061	14,94,88,152
	<b>11,26,28,061</b>	<b>14,94,88,152</b>
Less: Assigned to related party (see note 17)	11,26,28,061	14,94,88,152
	-	-
(b) On statutory dues	59,51,657	19,15,180
	<b>59,51,657</b>	<b>19,15,180</b>
ii. Other borrowing costs	57	327
	<b>59,51,714</b>	<b>19,15,507</b>
<b>Note 14: Other expenses</b>		
i. Postage and telephone expenses	175	-
ii. Printing and stationery	613	250
iii. Fees and taxes	25,870	18,780
iv. Insurance	39,444	38,465
v. Legal and professional charges	70,019	44,719
vi. Payment to auditors (see note 'i' below)	16,854	2,24,720
	<b>1,52,975</b>	<b>3,26,934</b>
<b>Note 'i'</b>		
<b>Payment to auditors</b>		
i. Statutory audit fees	15,000	2,00,000
ii. Service tax on above	1,854	24,720
	<b>16,854</b>	<b>2,24,720</b>
<b>Note 15: Earnings per share</b>		
i. Net loss for calculation of basic and diluted earnings per share	(60,60,299)	(21,90,425)
ii. Weighted average number of equity shares outstanding during the year*	3,32,000	3,32,000
iii. Basic and diluted earnings per share	(18.25)	(6.60)
iv. Nominal value of equity shares	10	10

\*Since the effect of potential equity shares is anti-dilutive these have not been considered for calculation of diluted earnings per share.

*(Signature)*



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

**Note 16: Related party disclosures**

**i. List of related parties**

- (a) Holding Company**  
- Parsvnath Developers Limited (PDL)
- (b) Entities having significant influence**  
- Green Destinations Holdings (GDH)  
- Crimsonstar Ventures Limited (CVL)
- (c) Fellow subsidiary**  
- Parsvnath Rail Land Project Private Limited

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

	PDL	Entities having significant influence	Fellow subsidiary
	₹	₹	
<b>(a) Transactions during the year</b>			
Loan repaid (borrowings)	(43,64,19,817)	(-)	(-)
Interest on debentures	11,26,28,061 (14,94,88,154)	(-)	(-)
Assignment amount on transfer of inventory and other assets	-	(-)	11,26,28,061 (14,97,08,752)
<b>(b) Balances as at year-end</b>			
Accrued interest on debentures	50,53,51,870 (40,39,85,616)	7,15,399 (7,15,399)	-
Debentures	93,43,00,960 (93,43,00,960)	1,81,33,38,080 (1,81,33,38,080)	-
Other receivables	-	(-)	3,61,68,90,663 (3,50,42,62,602)

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





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

**Note 17**

Parsvnath Developers Limited (PDL), the holding company was selected as bidder for grant of lease for development of a project on a plot of land at Sarai Rohilla- Kishanganj by Rail Land Development Authority (RLDA) vide its 'Letter of Acceptance' (LOA) dated 26 November, 2010. The Company was decided as a Special Purpose Vehicle (SPV) for the purposes of development of the project and the RLDA accorded approval on 7 February, 2011 adopting the Company as SPV for the development and implementation of the project. In terms of LOA, amount payable towards land/land development rights is ₹ 16,51,00,00,000 of which ₹ 3,30,20,00,000 was paid as an advance to RLDA.

For project financing, the Company entered into Investment and Security Holder's Agreement dated 23 November, 2010 with its Holding Company, Parsvnath Developers Limited (PDL) and Overseas Investment entity viz. Green Destinations Holdings (Investor). Pursuant to the agreement, the Company allotted 1,62,674 equity shares of ₹ 10 each and 18,13,33,808 fully convertible debentures of ₹ 10 each to the investors in financial year 2010-2011. The Company also allotted 1,59,326 equity shares of ₹ 10 each and 9,34,30,096 optionally convertible debentures of ₹ 10 each to Parsvnath Developers Limited (Holding Company) in financial year 2010-2011.

Subsequently under approval of RLDA, PDL incorporated a new company namely Parsvnath Rail Land Project Private Limited (PRLPPL) for development and implementation of the project.

Pursuant to the above, the Company assigned the project and transferred all assets and liabilities of the Company pertaining to the project to PRLPPL for a consideration of ₹ 3,75,41,13,573. The agreement further provides that the interest on OCDs from 1 January, 2013 till redemption will be assigned to PRLPPL. Accordingly interest cost incurred by the Company amounting to Rs. 11,26,28,061 has been assigned to PRLPPL for financial year 2014-15.

Detail of assets and liabilities assigned to PRLPPL and amount due is as under:

	As at and upto 31 March, 2014	For the year	As at and upto 31 March, 2015
	₹	₹	₹
(a) Advance for purchase of development rights	3,30,30,20,000	-	3,30,30,20,000
(b) Inventory of work-in-progress	35,92,47,284	-	35,92,47,284
(c) Security deposits	10,00,00,000	-	10,00,00,000
(d) Prepaid expenses	2,32,114	-	2,32,114
<b>Sub-total</b>	<b>3,76,24,99,398</b>	-	<b>3,76,24,99,398</b>
(e) Less: Trade payables	83,85,825	-	83,85,825
<b>Net amount assigned to PRLPPL</b>	<b>3,75,41,13,573</b>	-	<b>3,75,41,13,573</b>
(f) Add: Subsequent debenture Interest assigned in terms of agreement with PRLPPL	18,63,48,245	11,26,28,061	29,89,76,306
(g) Add: Legal and professional fees	2,20,600	-	2,20,600
<b>Amount due from PRLPPL</b>	<b>3,94,06,82,418</b>	<b>11,26,28,061</b>	<b>4,05,33,10,479</b>
(h) Less: Amount received from PRLPPL	43,64,19,816	-	43,64,19,816
(i) <b>Net assignment amount due from PRLPPL</b>	<b>3,50,42,62,602</b>	-	<b>3,61,68,90,663</b>

**Note 18**

The holder of fully convertible debentures Series I and Series II has accorded its approval for moratorium in the accrual and payment of debenture interest from 1 April, 2011 to 30 June, 2016. The Board of Directors of the Company also approved the waiver of interest for the said period. Accordingly, no provision for interest has been made on Series I and Series II debentures during the period.

The holder of optionally convertible debentures has accorded its approval for moratorium in the accrual and payment of debenture interest from 1 Jan, 2015 to 30 June, 2016. The Board of Directors of the Company also approved the waiver of interest for the said period. Accordingly, provision for interest has been made on optionally convertible debentures for 9 month period only.

**Note 19: Segment reporting**

As the Company operates in single business segment viz. Real Estate, the reporting requirements as prescribed by Accounting Standard-17, are not applicable for the year ended 31 March, 2014. There being no business outside India, the entire business has been considered as single geographic Segment.

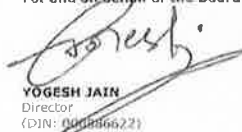
**Note 20: Deferred tax assets**

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 principle 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 21: 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

  
**YOGESH JAIN**  
Director  
(DIN: 00086622)

  
**MANOJ KUMAR JOSHI**  
Director  
(DIN: 01573717)

Place: New Delhi  
Date: May 21, 2015

