

PARSVNATH REALCON 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	1,00,000	1,00,000
(b) Reserves and surplus	4	<u>3,08,13,237</u>	<u>3,26,56,899</u>
		3,09,13,237	3,27,56,899
2. Current liabilities			
(a) Short-term borrowings	5	42,22,76,069	47,16,21,779
(b) Trade payables	6	4,60,68,296	4,28,65,869
(c) Other current liabilities	7	<u>52,55,230</u>	<u>25,55,348</u>
		47,35,99,595	51,70,42,996
TOTAL		<u>50,45,12,832</u>	<u>54,97,99,895</u>
II ASSETS			
1. Non-current assets			
(a) Deferred tax asset	26	21,14,773	12,19,695
(b) Long-term loans and advances	8	<u>12,59,777</u>	<u>11,35,240</u>
		33,74,550	23,54,935
2. Current assets			
(a) Inventories	9	29,50,05,922	29,32,69,420
(b) Trade receivables	10	4,86,98,860	5,19,53,030
(c) Cash and cash equivalents	11	2,39,56,551	7,31,56,573
(d) Short-term loans and advances	12	1,04,24,290	96,73,775
(e) Other current assets	13	<u>12,30,52,659</u>	<u>11,93,92,162</u>
		50,11,38,282	54,74,44,960
TOTAL		<u>50,45,12,832</u>	<u>54,97,99,895</u>

See accompanying notes forming part of the financial statements

1-27

In terms of our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants


JITENDRA AGARWAL
Partner

Place: Gurgaon
Date: 16 May, 2015

For and on behalf of the Board of Directors


Ashim Gandhi
Director
DIN: 02036660


Vivek Garg
Director
DIN: 01832495

Place: New Delhi
Date: 16 May, 2015

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

	Note No.	Year ended 31 March, 2015 ₹	Year ended 31 March, 2014 ₹
1. Revenue from operations	14	78,50,402	6,32,58,546
2. Other income	15	29,36,750	59,09,696
3. Total revenue (1+2)		1,07,87,152	6,91,68,242
4. Expenses			
i. Cost of materials consumed	16	14,26,620	14,87,257
ii. Contract cost, labour and other charges		70,16,169	4,39,03,046
iii. Changes in inventories of work-in-progress	17	(17,36,502)	1,47,44,176
iv. Finance costs	18	17,776	-
v. Other expenses	19	68,21,844	1,27,93,033
Total expenses		1,35,45,907	7,29,27,512
5. Profit/(Loss) before tax (3-4)		(27,58,755)	(37,59,270)
6. Tax expense/(benefit)			
(a) Deferred tax charge/(credit)		(8,95,078)	(12,19,695)
(b) Income tax adjustment of previous year		(20,015)	-
		(9,15,093)	(12,19,695)
7. Profit/(Loss) for the year (5-6)		(18,43,662)	(25,39,575)
8. Earnings per equity share [nominal value of share ₹ 10 each]	20		
(a) Basic		(184.37)	(253.96)
(b) Diluted		(184.37)	(253.96)

See accompanying notes forming part of the financial statements 1-27

In terms of our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants



JITENDRA AGARWAL
Partner

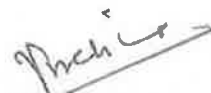
Place: Gurgaon
Date: 16 May, 2015

For and on behalf of the Board of Directors



Ashim Gandhi
Director
DIN: 02036660

Place: New Delhi
Date: 16 May, 2015



Vivek Garg
Director
DIN: 01832495

Place: New Delhi
Date: 16 May, 2015


PARSVNATH REALCON 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		
Profit/(Loss) before tax	(27,58,755)	(37,59,270)
Adjustments for :		
Finance costs	17,776	
Interest income on deposits	(28,33,777)	(58,58,346)
Operating profit/(loss) before working capital changes	(55,74,756)	(96,17,616)
Adjustments for :		
(Increase)/decrease in operating assets:		
Inventories	(17,36,502)	1,47,44,176
Trade receivables	32,54,170	1,12,44,856
Short-term loans and advances	(7,50,515)	(67,01,941)
Other current assets	(58,12,251)	(92,092)
Increase/(decrease) in operating liabilities:		
Trade payables	32,02,427	59,31,424
Other current liabilities	26,99,882	10,98,472
Cash generated from/(used in) operations	(47,17,545)	1,66,07,279
Net Income tax paid/(refund)	(1,04,522)	21,82,648
Net cash flow from/(used in) operating activities (A)	(48,22,067)	1,87,89,927
B. CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	49,85,531	58,40,138
Bank balances not considered as cash and cash equivalents:		
- placed during the year		(50,73,727)
- Matured during the year	6,75,84,813	
Net cash flow from/(used in) investing activities (B)	7,25,70,344	7,66,411
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance costs paid	(17,776)	
Repayment of short-term borrowings	(4,93,45,710)	(2,81,29,304)
Net cash flow from/(used in) financing activities (C)	(4,93,63,486)	(2,81,29,304)
D. Net increase/ (decrease) in cash and cash equivalents (A+B+C)	1,83,84,791	(85,72,966)
E. Cash and cash equivalents as at the beginning of the year	55,71,760	1,41,44,726
F. Cash and cash equivalents as at the end of the year (see note 11)	2,39,56,551	55,71,760
G Components of cash and cash equivalents as at:		
Cash on hand	93,591	2,300
Balances with banks:		
- In current accounts	2,38,62,960	55,69,460
Cash and cash equivalents as per cash flow statement	2,39,56,551	55,71,760
Deposits with bank under lien	-	6,75,84,813
Cash and cash equivalents as per balance sheet (see note 11)	2,39,56,551	7,31,56,573

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: 16 May, 2015

For and on behalf of the Board of Directors


Ashim Gandhi
Director
DIN: 02036660

Place: New Delhi
Date: 16 May, 2015


Vivek Garg
Director
DIN: 01832495

Place: New Delhi
Date: 16 May, 2015

PARSVNATH REALCON PRIVATE LIMITED
Notes forming part of the financial statements

Note 1: Corporate information

Parsvnath Realcon Private Limited ("the Company") was incorporated by the name Momentous Developers Private Limited. The name of the company was changed to 'Parsvnath Realcon Private Limited' with effect from 06 December, 2010 and fresh certificate of incorporation was received from Registrar of Companies, Delhi and Haryana. The Company is wholly owned subsidiary of Parsvnath Buildwell Private Limited. The Company is engaged in the business of promotion, construction and development of a residential project.

Note 2: Significant accounting policies

a. Basis of accounting

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the 2013 Act"), 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.



PARSVNATH REALCON PRIVATE LIMITED
Notes forming part of the financial statements

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.

m. 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.

n. 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.

o. 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.

p. 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 REALCON PRIVATE LIMITED
Notes forming part of the financial statements

Note 3: Share capital

	As at 31 March, 2015		As at 31 March, 2014	
	Number	₹	Number	₹
i. Authorised Equity shares of ₹ 10 each	10,000	1,00,000	10,000	1,00,000
	10,000	1,00,000	10,000	1,00,000
ii. Issued, subscribed and fully paid-up shares Equity Shares of ₹ 10 each fully paid	10,000	1,00,000	10,000	1,00,000
	10,000	1,00,000	10,000	1,00,000
(a) Reconciliation of number and amount of equity shares outstanding as at the beginning and end of the year				
i. Shares outstanding at the beginning of the year	10,000	1,00,000	10,000	1,00,000
ii. Shares outstanding at the end of the year	10,000	1,00,000	10,000	1,00,000

(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
	Number	Number
Parsvnath Buildwell Private Limited and its nominees ('the Holding Company') (The ultimate holding company is Parsvnath Developers Limited)	10,000	10,000

(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	% holding	Number	% holding
Parsvnath Buildwell Private Limited and its nominees	10,000	100.00%	10,000	100.00%



PARSVNATH REALCON PRIVATE LIMITED
Notes forming part of the financial statements

	As at 31 March, 2015	As at 31 March, 2014
	₹	₹
Note 4: Reserves and surplus		
Surplus in the Statement of Profit and Loss		
Opening balance	3,26,56,899	3,51,96,474
Less: Loss for the year	(18,43,662)	(25,39,575)
Closing balance	3,08,13,237	3,26,56,899
Note 5: Short-term borrowings		
Unsecured		
Interest free loan from Holding Company (payable on demand)	42,22,76,069	47,16,21,779
Note 6: Trade payables (Other than acceptances)		
i. Trade payables for land	3,00,00,000	3,00,00,000
ii. Trade payables for goods and services	1,60,68,296	1,28,65,869
	4,60,68,296	4,28,65,869
As per the information available with the Company, sundry creditors do not include any amount due to Micro and Small Enterprises as defined under "Micro, Small and Medium Enterprises Developments Act, 2006 (MSMED Act, 2006) and no interest has been paid or payable in terms of MSMED Act, 2006.		
Note 7: Other current liabilities		
i. Statutory liabilities (Withholding Taxes, Works Contract Tax, Service Tax, etc.)	3,48,898	6,25,011
ii. Retention money	16,10,241	13,38,612
iii. Advances from customers	36,205	18,167
iv. Advance from related party	32,59,886	5,73,558
	52,55,230	25,55,348
Note 8: Long-term loans and advances (Unsecured, considered good)		
Advance income tax [(Net of provision for income tax: Rs. NIL); 31 March, 2014: Rs. 17,748,965]	12,59,777	11,35,240
Note 9: Inventories (Valued at lower of cost and net realisable value)		
Work-in-progress	29,50,05,922	29,32,69,420
Note: Inventory of work-in-progress comprise 'Properties under development'		
Note 10: Trade receivables (Unsecured, considered good)		
i. Outstanding for a period exceeding six months from the date they were due for payment	4,86,98,860	2,95,88,340
ii. Other trade receivables	-	2,23,64,690
	4,86,98,860	5,19,53,030

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PARSVNATH REALCON 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> ₹
Note 11: Cash and cash equivalents		
A. Cash and cash equivalents		
i. Cash on hand	93,591	2,300
ii. Balance with banks:		
a. In current accounts	<u>2,38,62,960</u>	<u>55,69,460</u>
Total - Cash and Cash equivalents (as per AS 3 Cash Flow Statements)	<u>2,39,56,551</u>	<u>55,71,760</u>
B. Other bank balances		
a. Deposits with bank under lien		6,75,84,813
Total Cash and Cash equivalents (A+B)	<u>2,39,56,551</u>	<u>7,31,56,573</u>
Note 12: Short-term loans and advances (Unsecured, considered good)		
i. Security deposits	7,000	7,000
ii. Balances with government authorities		
a. CENVAT credit receivable	84,10,776	78,53,418
iii. Prepaid expenses	2,11,396	
iv. Mobilisation advance	7,02,802	7,75,762
v. Advances to suppliers	<u>10,92,316</u>	<u>10,37,595</u>
	<u>1,04,24,290</u>	<u>96,73,775</u>
Note 13: Other current assets		
i. Unbilled revenue	12,30,52,659	11,72,40,408
ii. Interest accrued on fixed deposits		21,51,754
	<u>12,30,52,659</u>	<u>11,93,92,162</u>



PARSVNATH REALCON PRIVATE LIMITED
Notes forming part of the financial statements

	Year ended 31 March, 2015	Year ended 31 March, 2014
	₹	₹

Note 14: Revenue from operations

i. Sale of properties	77,77,577	6,30,64,346
ii. Other operating revenue		
(a) Administrative charges	72,825	1,94,200
	78,50,402	6,32,58,546

Revenue from sale of properties comprise revenue recognised on Real Estate Projects on 'Percentage of Completion method' (Refer note 2g)

Note 15: Other income

i. Interest income:		
(a) Interest on banks deposits	28,33,777	58,58,346
(b) Interest from customers	56,607	51,350
ii. Miscellaneous income	46,366	-
	29,36,750	59,09,696

Note 16: Cost of materials consumed

Construction material	14,26,620	14,87,257
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Note 17: Change in inventories of work-in-progress

i. Work-in-progress at the beginning of the year	29,32,69,420	30,80,13,596
ii. Work-in-progress at the end of the year	29,50,05,922	29,32,69,420
	(17,36,502)	1,47,44,176

Note 18: Finance costs

i. Interest expenses:		
(a) On delayed payment of statutory dues	17,776	-
	17,776	-

Note 19: Other expenses

i. Power and Fuel	4,53,230	-
ii. Repair and maintenance - others	1,27,643	-
iii. Rates and taxes	11,51,281	4,12,140
iv. Travelling and conveyance	34,638	-
v. Printing and stationery	21,399	71,443
vi. Advertisement and publicity	1,89,000	21,54,793
vii. Legal and professional charges	14,49,718	10,48,547
viii. Payment to auditors (see note 'i' below)	5,61,800	5,61,800
ix. Project management charges	27,61,350	85,19,029
x. Bank charges	2,844	25,258
xi. Miscellaneous expenses	68,941	23
	68,21,844	1,27,93,033

Note 'i'
Payment to auditors

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

Note 20: Earnings per share

i. Net profit/(loss) for calculation of basic and diluted earnings per share	(18,43,662)	(25,39,575)
ii. Weighted average number of equity shares outstanding during the year	10,000	10,000
iii. Basic and diluted earnings per share	(184.37)	(253.96)
iv. Nominal value of equity shares	10	10

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PARSVNATH REALCON PRIVATE LIMITED
Notes forming part of the financial statements

Note 21: Contingent liabilities

	As at 31 March, 2015 ₹	As at 31 March, 2014 ₹
Claims against the Company not acknowledged as debts* - Customers complaints pending in consumer court	41,82,49,000	95,09,290

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

Note 22:

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

Note 23: Related party disclosures

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

(a) Ultimate Holding Company

- Parsvnath Developers Limited (PDL)

(b) Holding Company

- Parsvnath Buildwell Private Limited (PBPL)

ii. Balances outstanding/transactions with related parties

	PDL ₹	PBPL ₹
(a) Transactions during the year		
Advances received	30,12,500 (5,73,558)	- (-)
Loans repaid	- (-)	4,93,45,710 (2,81,29,304)
Advances returned	3,26,172 (-)	- (-)
(b) Balances as at year-end		
Short-term borrowings	- (-)	42,22,76,069 (47,16,21,779)
Trade payables for land	3,00,00,000 (3,00,00,000)	- (-)
Advances (other current liabilities)	32,59,886 (5,73,558)	- (-)

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

Note 24:

Pursuant to Memorandum of Understanding dated 22 December, 2010 entered into with Parsvnath Developers Limited (PDL) and Parsvnath Buildwell Private Limited ('the Holding Company'), PDL had transferred and assigned Development rights of the project, namely, "Parsvnath Paramount" on land admeasuring 6,445 Square meters situated at Subhash Nagar, New Delhi to the Company for a total consideration of ₹ 60,00,00,000 during the financial year 2010-11.

Note 25: 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.



PARSVNATH REALCON PRIVATE LIMITED
Notes forming part of the financial statements

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Note 26: Deferred tax assets

The Company has carried out its tax computation in accordance with mandatory accounting standard AS 22 - 'Taxes on Income' prescribed in Companies (Accounting Standard) Rules, 2006. The Company has recognized deferred tax assets on its carried forward losses including brought forward losses of earlier years. Based on flat sale agreements executed by the customers for which revenue will get recognized in future years on percentage completion method, the Company has 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. Accordingly the Company has created deferred tax assets on its carried forward losses.

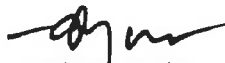
Major components of deferred tax assets are:

	<u>As at</u> <u>31 March, 2015</u>	<u>As at</u> <u>31 March, 2014</u>
	₹	₹
Carried forward business losses	21,14,773	12,19,695

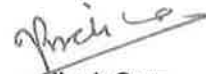
Note 27: Previous year's figures

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



Ashim Gandhi
Director
DIN: 02036660



Vivek Garg
Director
DIN: 01832495

Place: New Delhi
Date: 16 May, 2015

