

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 3rd Annual Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2014.

Financial Results

(₹ in lacs)

Item	Year Ended March 31, 2014	Year Ended March 31, 2013
Total Revenue	17.48	23.66
Profit/(Loss) before tax	(21.18)	1.34
Tax	-	0.42
Profit/(Loss) after tax	(21.18)	0.93

Review of Operations

Your Company is implementing and developing a residential project at the railway land located at Sarai-Rohilla, Near Rani Jhansi Road, Delhi, involving redevelopment of existing railway colony and developing private group housing, commercial and other facilities in terms of a bid awarded in favour of Parsvnath Developers Limited by Rail Land Development Authority (RLDA) and pursuant to the Development Agreement executed with RLDA and Parsvnath Developers Ltd. on May 31, 2013.

For financing the aforesaid project, the Company issued Non-Convertible Debentures of Rs. 244.39 crores during the year which are listed on the Bombay Stock Exchange (BSE).

The Company also issued 2,82,974 Compulsorily Convertible Preference Shares of Rs. 10/- each to Tango Investment Holdings Ltd, Optionally Convertible Debentures Series X of Rs. 65,50,00,000/- to Three C infra Pvt. Ltd, Optionally Convertible Debentures Series Y of Rs. 1,60,00,00,000/- to Solace Projects Pvt. Ltd, and Optionally Convertible Debentures - Series B of Rs. 32,20,19,360/- to Parsvnath Developers Ltd. The Company also issued 21,011 Equity shares of Rs. 10/- each to Tango Investment Holdings Ltd and 1,10,000 Equity shares of Rs. 10/- each to Parsvnath Developers Ltd. Consequent to the same, the Equity share capital of the Company stood at Rs. 14,10,110/- as compared to Rs. 1,00,000/- in the previous year.

Dividend

Since the Company has not started its operations, no dividend has been recommended for the year under review.

Directors

During the year under review, Mr. Kalyan Yanmendra Chakrabarti, Mr. R.N. Maloo and Mr. P.K. Jain resigned as Directors of the Company w.e.f. August 12, 2013, December 30, 2013 and April 1, 2014 respectively. Mr. Pankaj Aggarwal was appointed as an Additional Director on the Board of the Company on April 01, 2014 and he will hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice under section 160 of the Companies Act, 2013, from a member of the Company in the prescribed manner for the appointment of Mr. Pankaj Aggarwal as Director, at the forthcoming Annual General Meeting.

Directors' Responsibility Statement

In terms of the provisions of Section 217(2AA) of the Companies Act, 1956 ('the Act'), your Directors confirm that:

- a) in preparation of the annual accounts for the year ended March 31, 2014, the applicable accounting standards have been followed and that there are no material departures;
- b) the accounting policies selected and applied are consistent and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; and
- d) the annual accounts have been prepared on a going concern basis.

Auditors

M/s Deloitte Haskins & Sells, Chartered Accountants (Registration No. 015125N), Statutory Auditors of the Company, shall retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. It is proposed to re-appoint them as Statutory Auditors of the Company for a period of five years to hold office until the conclusion of the Eighth Annual General Meeting. Confirmation from the Statutory Auditors that their re-appointment, if made, will be within the statutory limits prescribed under Section 141 read with Section 139 of the Companies Act, 2013, has been received.

Observations of Auditors

There is no qualification in the Auditors' Report on the Annual Accounts of the Company for the financial year ended March 31, 2014 requiring any explanation from the Board.

Particulars of Employees

No employee of the Company was in receipt of remuneration which requires disclosure under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended from time to time.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

The nature of activities of the Company does not require disclosure of information under the Companies (Accounts) Rules, 2014, concerning conservation of energy and technology absorption respectively.

The Company has neither incurred any expenditure nor earned any income in foreign currency during the year under review.

Public Deposits

The Company has not accepted any Public Deposits and as such, no amount on account of principal or interest was outstanding on the date of the Balance Sheet.

Acknowledgements

The Directors wish to place on record their appreciation of the support and co-operation extended by the investors, bankers and other stakeholders.

By Order of the Board of Directors
For Parsvnath Rail Land Project Pvt. Ltd.



Sanjeev Kumar Jain
Director



Pankaj Aggarwal
Director

Place : New Delhi
Date : 28.05.2014

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