



ANNUAL REPORT 2015-16

PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED

CIN: U45203DL2011PTC227343

Corporate office: 6th Floor, Arunachal Building, 19, Barakhamba Road, New Delhi-110001, Ph: 011-43686600, 43684800, Fax: 011-23315400

Registered Office: Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi-110032, Ph: 011-43050100, Fax: 011 - 43050468

E-mail: secretarial@parsvnath.com; website: www.parsvnath.com/prlp

BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 5th Annual Report together with the audited financial statements of the Company for the financial year ended March 31, 2016.

FINANCIAL RESULTS

Particulars	(Amount in Lacs)	
	Financial Year 2015-16	Financial Year 2014-15
Total Revenue	91.21	28.63
Net Profit/(Loss) Before Tax	(352.93)	(36.23)
Provision for Tax	-	-
Net Profit/ (Loss) After Tax	(352.93)	(36.23)

DIVIDEND

In view of the loss incurred during the financial year 2015-16, no dividend is recommended for the year under review.

TRANSFER OF AMOUNT TO RESERVES

During the financial year 2015-16, your Company has not transferred any amount to reserves.

REVIEW OF THE PROJECT:

The Company was incorporated to undertake development of project at Sarai Rohilla-Kishanganj, Delhi on land given on licensed basis by the Rail Land Development Authority (RLDA). The Company had executed a Development Agreement (DA) with RLDA and its holding company, Parsvnath Developers Ltd. One of the terms and conditions as stated under the DA was that the Company had to achieve financial close within a time period as stipulated therein, and since the Company was unable to achieve the said financial close within the agreed timelines, the DA deemed to have been terminated. Pursuant to deemed termination of DA, the Company has requested RLDA to refund the amounts already paid to RLDA towards lease premium along with interest thereon, after making necessary deductions as provided under the terms of DA. RLDA has refused to refund the said amounts paid by the Company and treated the same as Developers' Event of Default under the provisions of DA thereby obliging RLDA to forfeit the entire amount paid by the Company. In relation to this dispute, parties have engaged into arbitration and arbitration proceedings are in progress.

The name of the building where the Registered Office of the Company is situated has been changed from Parsvnath Metro Tower to Parsvnath Tower. Consequently, the address of the Registered Office of the Company was modified to "Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi- 110032" with effect from May 21, 2015.

REVIEW OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

During the year under review, your Company's total revenue was increased from Rs. 28.63 Lacs to Rs. 91.21 Lacs. Your Company incurred a loss after tax of Rs. 352.93 Lacs as against loss after tax of Rs. 36.23 Lacs in the previous year.

MATERIAL CHANGES AND COMMITMENT

No other material changes and commitments occurred between the end of the financial year under review and the date of the report.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your Company does not have any subsidiaries, joint ventures or associate companies.

PUBLIC DEPOSITS

The Company has neither accepted nor renewed any public deposits during the year under review.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the financial year 2015-16, Shri Yogesh Jain resigned from the directorship of the Company w.e.f. from June 05, 2015.

Smt. Pooja Jain Nagpal who was appointed as an Additional Director of the Company on April 23, 2015 resigned from the directorship of the Company w.e.f. June 19, 2015.

Mr. Ashish Jain was appointed as an Additional Director of the Company with effect from June 05, 2015 and was confirmed as a director in the Annual General Meeting of the Company held on September 29, 2015.

In accordance with the provisions of the Companies Act, 2013, Mr. Vivek Garg (DIN 01832495) will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offered himself for re-appointment.

At present the Board of your Company comprises of three non-executive directors- Mr. Ashish Jain, Mr. Pankaj Aggarwal and Mr. Vivek Garg.

In compliance with the provisions of Section 203 of the Companies Act, 2013, your Company has Shri Raminder Singh Kohli, Chief Financial Officer and Shri Vipul Kumar Goel, Company Secretary of the Company.

The Company is required to appoint two (2) Independent Directors on the Board of the Company pursuant to the provisions of section 149(4) of the Companies Act, 2013 and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Efforts are being made to identify suitable persons for appointment as Independent Directors on the Board of the Company.

COMMITTEES OF THE BOARD

Pursuant to the provisions of Sections 177 and 178 of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014, the Company has constituted two Board Level Committees, namely:

- I. Audit Committee
- II. Nomination and Remuneration Committee

Since Independent Directors should form a majority in the constitution of these committees, the Company shall re-constitute the Audit Committee and the Nomination and Remuneration Committee after the appointment of Independent Directors.

NUMBER OF MEETINGS OF THE BOARD

During the financial year 2015– 2016, the Board met five (5) times with adequate quorum on May 21, 2015, July 30, 2015, September 25, 2015, November 9, 2015, and February 9, 2016.

BOARD EVALUATION

The Board Evaluation in terms of Section 134 and Schedule IV of the Companies Act, 2013 will be conducted after the appointment of Independent Directors.

POLICY ON DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND OTHER DETAILS

The Nomination and Remuneration policy adopted and followed by Parsvnath Developers Limited (holding company) is applicable to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, states that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that 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 loss of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Pursuant to Section 134(3)(ca) of the Companies Act, 2013, no fraud has been reported by the Auditors of the Company.

RELATED PARTY TRANSACTIONS

The related party transactions are given in Notes to the Financial Statements annexed to and forming part of the Balance Sheet and the Statement of Profit and Loss of the Company. The transactions with the Related Parties were done in the normal course of business and strictly on commercial terms at an arm's length basis.

The Company has not entered into any contracts or arrangements with its Related Parties covered under Section 188 of the Companies Act, 2013.

INTERNAL CONTROLS

In-house Internal Audit Controls have been set up that conduct audits to ensure the adequacy of the internal control system and adherence to management instructions and compliance.

AUDITORS

M/s Deloitte Haskins & Sells, Chartered Accountants (Registration No. 015125N), were appointed as the Statutory Auditors of the Company for a period of five years from the conclusion of Third Annual General Meeting held on September 11, 2014 until the conclusion of Eighth Annual General Meeting for conducting the audit for the financial years 2014-15 to 2018-19 at such remuneration as may be decided by the Board of Directors of the Company, subject to ratification of their appointment by members at each of the intervening Annual General Meetings of the Company.

However, M/s Deloitte Haskins & Sells, Chartered Accountants, have informed the Board that they do not wish to offer themselves for reappointment as Statutory Auditors of the Company for the year ending 31st March 2017. Therefore, it is proposed to appoint M/s S. N. Dhawan & Co., Chartered Accountants (Firm Registration No. 000050N), as Statutory Auditors of the Company in the forthcoming Annual General Meeting to hold office for a period of 5 (five) consecutive financial years from 2016-17 to 2020-21.

The operations of the Company do not require maintenance of cost records and cost audit, in terms of the provisions of the Companies Act, 2013 read with the rules made thereunder.

OBSERVATION OF AUDITORS

There are no qualifications, reservations or adverse remarks in the Auditors' Report for the financial year ended 31st March 2016.

However, the Auditors have made certain observations in clauses (iii) and (vii) of the Annexure B to their Report which are explained as under:

- *Unsecured Loan given by the Company prejudicial to the interest of the Company since the advance in the nature of unsecured loans do not bear any interest* - The advance was given to Parsvnath Hotels Ltd. in connection with a proposed arrangement. Since the arrangement is no longer required, efforts are being made by the Company to get refund of the advance so given.
- *Tax Deducted at source (TDS) not deposited and outstanding for a period of more than six months*- Due to the delay in the return of the amounts deposited with the RLDA consequent to the arbitration proceedings, the Company is facing shortage of funds and hence the TDS amounting to Rs. 2,69,18,202/- as stated in the Audit Report could not be deposited.

SECRETARIAL AUDITORS

The Company had appointed M/s Chandrasekaran & Associates, Company Secretaries, to conduct the Secretarial Audit of the Company for the financial year 2015-16. The Secretarial Audit report for the financial year ended March 31, 2016 is annexed hereto as **Annexure I** to this Report. The Secretarial Auditors in their report to the Members have made certain observations, and the response of your Directors is as follows:

1. The Company is in the process of identifying suitable persons required to be appointed as Independent Directors and Woman Director on the Board of the Company in terms of Section 149 of the Companies Act, 2013. The Woman Director may or may not be an Independent Director.
2. The Company has constituted an Audit Committee and a Nomination and Remuneration Committee in the meeting of the Board of Directors held on May 21, 2015. The same shall be re-constituted as per the requirements of Sections 177 and 178 of the Companies Act, 2013 after the appointment of Independent Directors.
3. The Company has appointed a Company Secretary and a Chief Financial Officer pursuant to the provision of Section 203 of the Companies Act, 2013. The Company is in the process of identifying a suitable person to be appointed as Managing Director

or Chief Executive Officer or Manager or in their absence, a Whole-time Director as required in terms of the said provisions.

4. The Company has appointed Mr. Santosh Kumar Jain, Chartered Accountant, head of the Internal Audit Cell of Parsvnath Developers Ltd, as the Internal Auditor of the Company with effect from May 24, 2016.
5. The Nomination and Remuneration policy followed by Parsvnath Developers Limited is applicable to the Company and the same shall be placed before the Nomination and Remuneration Committee in its next meeting for adoption by the Company.
6. The Company has an in-house procedure to review its performance. The Company is in the process of identifying suitable persons to be appointed as Independent Directors on the Board of the Company and a performance evaluation in terms of Schedule IV of the Companies Act, 2013 consequent to their appointment.
7. The Company is in process of identifying suitable persons for appointment as Independent Directors on the Board of the Company. The Meeting of the Independent Directors shall be conducted after the said appointment.

LISTING WITH STOCK EXCHANGE

During the year under review, the Non-Convertible Debentures of the Company continued to be listed on BSE Limited, Mumbai. The Company has paid the listing fee for the financial year 2016-17.

The codes assigned to the debentures of the Company by NSDL and BSE Limited are as under:

NCDs- Rs. 360 Cr

NSDL (ISIN):INE187O07031

BSE Scrip Code: 948645

NCDs B- Rs. 244.39 Cr

NSDL (ISIN): INE187O07049

BSE Scrip Code: 949440

The Securities and Exchange Board of India (SEBI) on September 2, 2015 issued SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of the capital market. As required, the Company executed a fresh Listing Agreement with the BSE Limited on February 23, 2016.

DISCLOSURES

Conservation of energy, technology absorption and foreign exchange outgo

All efforts are being made by the Company for conservation of energy. The nature of operations of the Company does not involve technology absorption and as such no disclosures are required to be made in this regard.

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

Particulars of Employees

No employee of the Company was in receipt of remuneration which requires disclosure under Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time.

Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review.

Extract of Annual Return

Extract of the Annual Return in Form MGT-9 as required under section 92 of the Companies Act, 2013 is annexed herewith as **Annexure II** to this Report.

RISK MANAGEMENT

The Company has adopted a Risk Management Policy to identify the risk associated with the business of the Company, to review the risks and concerns and device measures to resolve them w.e.f. from July 30, 2015.

VIGIL MECHANISM:

The Company has established and adopted a Vigil Mechanism Policy in the meeting of the Audit Committee held on July 30, 2015. The Company through the Audit Committee oversees the genuine concerns expressed by the employees and other Directors.

This Policy mechanism intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company and malpractices and events which have taken place, suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility are not applicable to the Company.

DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS/TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no orders passed by the Regulators/Courts/Tribunal which would impact the going concern status of the Company and its future operations.

GENERAL

There were no cases filed /reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the year under review.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere gratitude to the shareholders, debenture holders, bankers, financial institutions, vendors and all the other business associates for the continuous support provided by them to the Company.

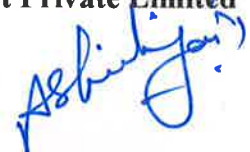
By Order of the Board of Directors
For Parsvnath Rail Land Project Private Limited



Vivek Garg

Director

DIN: 01832495



Ashish Jain

Director

DIN: 06814151

Place: Delhi

Date: August 30, 2016

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

The Members,
PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED
 Parsvnath Tower, Near Shahdara Metro Station,
 Shahdara, Delhi-110032

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by Parsvnath Rail Land Project Private Limited, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A; Not Applicable
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Not Applicable



- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; Not Applicable
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014; Not Applicable
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued; Not Applicable
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable
- (vi) As confirmed and certified by the management, there is no sectoral law specifically applicable to the Company based on the Sectors / Businesses.

We have also examined compliance with the applicable clauses/Regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India effective from 01.07.2015.
- (ii) The Listing Agreements entered into by the Company with BSE Limited / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective from 01.12.2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The Company has not complied with the provisions of section 149 of the Companies Act 2013, relating to appointment of Independent Director and Woman Director.
2. The Company has not complied with the provisions of section 177 and 178 of the Companies act 2013, relating to Constitution of Audit Committee and Nomination and Remuneration Committee.
3. The Company has not complied with the provisions of section 203 of the Company Act, 2013 relating to appointment of Managing Director or Chief Executive Officer or Manager or in their absence a Whole Time Director.



4. The Company has not complied with the provisions of section 138 of the Companies Act 2013, relating to **appointment** of Internal Auditors.
5. The Company has not complied with the Provisions of section 178 of the Companies Act 2013, relating to **Appointment & Remuneration** of Directors policy.
6. The Company has not complied with the Provisions of section 134 of the Companies Act 2013, relating to **Performance Evaluation Mechanism/Policy** (Independent Directors & Board)
7. The Meeting of Independent Director was not convened during the period under review.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors subject to above mentioned observations. The changes, if any, in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no specific events / actions took place having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.



We further report that the Company is public Limited Company, being a subsidiary of public Company. However, the Company is maintaining its two directors and two shareholders.

For Chandrasekaran Associates
Company Secretaries



Shashikant Tiwari
Membership No. A28994
Certificate of Practice No. 13050

Date: 30.08.2016
Place: New Delhi

Note: This report is to be read with our **letter** of even date which is annexed as Annexure-and forms an integral **part** of this report.

Annexure-A

The Members

PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED

Parsvnath Tower, Near Shahdara Metro Station,
Shahdara, Delhi-110032

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Chandrasekaran Associates**
Company Secretaries



Shashikant Tiwari
Membership No. A28994
Certificate of Practice No. 13050

Date: 30.08.2016

Place: New Delhi

Form No. MGT-9

**EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2016**

**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]**

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:-	U45203DL2011PTC227343
ii)	Registration Date	11-11-2011
iii)	Name of the Company	Parsvnath Rail Land Project Private Limited
iv)	Category / Sub-Category of the Company	Private Company
v)	Address of the Registered office and contact details	Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi - 110032*
vi)	Whether listed company Yes/No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Link Intime India Pvt. Ltd. C-13 Pannalal Silk Mills Compound, LBS Marg, Bhandup West, Mumbai 400 078

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/Services	NIC Code of the Product/Service	% to total turnover of the Company
		N.A.	

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
	NIL				

* Address of the company was modified to Parsvnath Tower, Near Shahdra Metro Station, Delhi-110032 w.e.f. May 21, 2015

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters:									
(1) Indian									
a) Individual/HUF									
b) Central Govt									
c) State Govt									
d) Bodies Corp.	119994	6	120000	85.10	119994	6	120000	85.10	-
e) Banks/FI									
f) Any Other									
Sub-total (A) (1):-	119994	6	120000	85.10	119994	6	120000	85.10	-
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any Other									
Sub-total (A) (2):-									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	119994	6	120000	85.10	119994	6	120000	85.10	-
B. Public Shareholding									
1 Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (Specify)									
Sub-total (B) (1):-									
2 Non-Institutions									
a) Bodies Corp.									
Indian									
Overseas		21011	21011	14.90		21011	21011	14.90	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh									
iii) Others (Specify)									
Sub-total (B) (2):-		21011	21011	14.9		21011	21011	14.9	-
Total public shareholding (B) = (B)(1)+(B)(2)		21011	21011	14.9		21011	21011	14.9	-
C Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	119994	21017	141011	100	119994	21017	141011	100.00	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year		
		No. of shares	% of total shares of the Company	% of Shares Pledged/encumbered to total shares	No. of shares	% of total shares of the Company	% of Shares Pledged/encumbered to total shares
1	Parsvnath Developers Ltd. (PDL)	119994	28.3	1.20	119994	28.3	1.20
2	Pradeep Kumar Jain (Nominee of PDL)	1			1		
3	Nutan Jain (Nominee of PDL)	1			1		
4	Sanjeev Kumar Jain (Nominee of PDL)	1			1		
5	Rajeev Jain (Nominee of PDL)	1			1		
6	Yogesh Jain (Nominee of PDL)	1			1		
7	Neelam Jain (Nominee of PDL)	1			1		
	Total	120000	28.3	1.20	120000	28.3	1.20

(iii) Change in Promoters' Shareholding (Please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	119994	28.30	119994	28.30
	At the end of the year	119994	28.30	119994	28.30

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	For each of the Top 10 Shareholders				
	At the beginning of the year				
	Equity Shares	21011	4.96	21011	4.96
	Compulsorily Convertible Preference Shares	282974	66.74	282974	66.74
	Total	303985	71.7	303985	71.7
	At the end of the year (or date of separation, if separated during the year)				
	Equity Shares	21011	4.96	21011	4.96
	Compulsorily Convertible Preference Shares	282974	66.74	282974	66.74
	Total	303985	71.7	303985	71.7

(iv) Shareholding of Directors and Key Managerial Personnel

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	For each of the Directors and KMP				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-

V. Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits (Rs.)	Unsecured Loans (Rs.)	Deposits (Rs.)	Total Indebtedness (Rs.)
Indebtedness at the beginning of the financial year				
i) Principal Amount	6,04,39,00,000	3,24,52,65,397		9,28,91,65,397
ii) Interest due but not paid	0	0		0
iii) Interest accrued but not due	13,58,13,699	10,61,18,120		24,19,31,819
Total (i+ii+iii)	6,17,97,13,699	3,35,13,83,517		9,53,10,97,216
Change in Indebtedness during the financial year				
Addition	55,00,00,000	1,06,40,000		
Reduction		50,71,00,000		
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	6,59,39,00,000	2,74,88,05,397		9,34,27,05,397
ii) Interest due but not paid	3,23,78,599			3,23,78,599
iii) Interest accrued but not due	13,58,13,699	11,92,86,775		25,47,97,155
Total (i+ii+iii)	6,76,20,92,298	2,86,80,92,172		9,62,98,81,151

Remuneration of Directors and Key Managerial Personnel Personnel

A. Remuneration to Managing Director, Whole-time Director and/or Manager:

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount (Rs.)
1	Gross Salary	NOT APPLICABLE	-
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961		-
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961		-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961		-
2	Stock Option		-
3	Sweat Equity		-
4	Commission - as % of profit - others, specify		-
5	Others, please specify		-
	Ceiling as per the Act	-	

B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name of Directors			Total Amount (Rs.)
		Mr. Ashish Jain	Mr. Vivek Garg	Mr. Pankaj Aggarwal	
1	Independent Directors	-	-	-	-
	Fee for attending board/committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-
	Fee for attending board/committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B) - (1+2)	-	-	-	-
	Total Managerial Remuneration (A+B)	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-

* Mr. Ashish Jain was appointed as a Director of the Company w.e.f. June 05, 2015.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sl. No	Particulars of Remuneration	Key Managerial Personnel			Total Amount (Rs.)
		CEO	Company Secretary	CFO**	
1	Gross Salary		14,00,000	1,21,007	15,21,007
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	Not Applicable			
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961				
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission - as % of profit - others, specify				
5	Others, please specify				
	Total			14,00,000	1,21,007
	Ceiling as per the Act				

** The CFO of the Company was appointed w.e.f. March, 2015, therefore only propotional salary was paid.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD/NCLT /Court]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Pravie

Abhijit

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PARSVNATH RAIL LAND PROJECT
PRIVATE LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

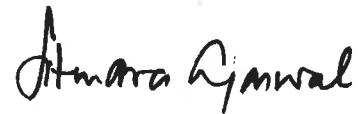
1. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
 - e) On the basis of the written representations received from the directors as on 31 March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "ANNEXURE A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. - Refer Note 24 to the financial statements
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses. - Refer Note 22 to the financial statements
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



**Deloitte
Haskins & Sells**

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"/"CARO 2016") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "ANNEXURE B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)



Jitendra Agarwal
Partner
(Membership No. 87104)

Place: New Delhi
Date: 24 May, 2016

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED** ("the Company") as of 31 March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Deloitte Haskins & Sells

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)



Jitendra Agarwal
Partner
(Membership No. 87104)

Place: New Delhi

Date: 24 May, 2016

Deloitte Haskins & Sells

"ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. The Company does not have any fixed assets and hence reporting under clause (i) of CARO 2016 is not applicable.
- ii. The Company does not have any inventory at year-end and hence reporting under clause (ii) of the CARO 2016 is not applicable.
- iii. According to the information and explanations given to us, the Company has granted unsecured loan to a Company covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
 - a. In our opinion, unsecured loan given to this Company is, *prima facie*, prejudicial to the interests of the Company since the advance in the nature of unsecured loans do not bear any interest.
 - b. The schedule of repayment of principal has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments or receipts of principal amounts. The loan, being interest free, the question of receipt of interest is not applicable.
 - c. There is no overdue amount remaining outstanding as at the balance sheet date.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans. The Company has not made any investments and as explained to us, has not provided any guarantees or securities.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
- vii. According to the information and explanations given to us in respect of statutory dues:
 - a. Other than for delays in deposit of Income Tax, the Company has generally been regular in depositing undisputed statutory dues including Service Tax, Sales Tax, Value Added Tax and other material statutory dues applicable to it with the appropriate authorities during the year. We are informed that the provisions of the Employees Provident Funds and Miscellaneous Act, 1952 and Employees State Insurance Act, 1948 are not applicable to the Company and that the operations of the Company during the year, did not give rise to any liability for Excise Duty and Customs Duty.
 - b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31 March, 2016 for a period of more than six months from the date they became payable, except for Tax Deducted at Source (TDS) amounting to Rs. 2,69,18,202 which has remained outstanding as at 31 March, 2016 for a period of more than six months from the date they became payable..
 - c. There are no dues in respect of Income Tax, Value Added Tax, Sales Tax, Service Tax, Customs Duty and Excise Duty which have not been deposited as on 31 March, 2016 on account of any dispute.

Deloitte Haskins & Sells

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to debenture holders. The Company has not taken any loans or borrowings from banks, financial institutions and government.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purpose for which they were raised, other than temporary deployment pending application.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. The Company has not paid / provided any managerial remuneration and hence reporting under clause (xi) of the CARO 2016 is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi. The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)



Jitendra Agarwal
Partner
(Membership No. 87104)

Place: New Delhi
Date: 24 May, 2016

PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED
Balance Sheet as at 31 March, 2016

	Note No.	As at 31 March, 2016 ₹	As at 31 March, 2015 ₹
I EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	3	42,39,850	42,39,850
(b) Reserves and surplus	4	<u>38,54,22,900</u>	<u>42,07,16,103</u>
		38,96,62,750	42,49,55,953
2. Non-current liabilities			
(a) Long-term borrowings	5	<u>8,62,09,19,360</u>	<u>8,62,09,19,360</u>
		8,62,09,19,360	8,62,09,19,360
3. Current liabilities			
(a) Short-term borrowings	6	72,17,86,037	66,82,46,037
(b) Trade payables	7		
(i) Total outstanding dues of micro and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		3,63,04,19,936	3,62,38,09,385
(c) Other current liabilities	8	34,35,26,716	28,40,61,328
(d) Short-term provision	9	<u>2,00,504</u>	<u>2,280</u>
		4,69,59,33,193	4,57,61,19,030
Total		<u>13,70,65,15,303</u>	<u>13,62,19,94,343</u>
II ASSETS			
1. Non-current assets			
(a) Long-term loans and advances	10	13,24,36,15,550	29,60,89,283
2. Current assets			
(a) Inventories	11	-	1,23,50,09,023
(b) Cash and cash equivalents	12	43,37,16,803	41,92,11,688
(c) Short-term loans and advances	13	2,91,82,950	11,66,32,06,111
(d) Other current assets	14	-	84,78,238
		46,28,99,753	13,32,59,05,060
Total		<u>13,70,65,15,303</u>	<u>13,62,19,94,343</u>

See accompanying notes forming part of the financial statements

1-28 For and on behalf of the Board of Directors

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants


JITENDRA AGARWAL
Partner

Place: New Delhi
Date: 24-May-2016


Vivek Garg
Director
DIN 01832495


Ashish Jain
Director
DIN 06814151


VIPUL KUMAR GOEL
Company Secretary

Place: New Delhi
Date: 24-May-2016



PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED
Statement of Profit and Loss for the year ended 31 March., 2016

	Note No.	Year ended 31 March , 2016 ₹	Year ended 31 March, 2015 ₹
1. Other income	15	91,21,794	28,63,210
Total revenue		91,21,794	28,63,210
2. Expenses			
(a) Cost of material consumed	16	-	38,87,261
(b) Contract cost, labour and other charges		-	14,48,363
(c) Changes in inventories of work in progress	17	-	(1,17,32,650)
(d) Employee benefits expense	18	31,25,423	15,57,761
(e) Finance costs	19	2,73,72,699	33,76,282
(f) Other expenses	20	1,39,16,875	79,49,475
Total expenses		4,44,14,997	64,86,492
3. Loss for the year (1-2)		(3,52,93,203)	(36,23,282)
4. Earnings per equity share [nominal value of share ₹	21		
(a) Basic		(250.29)	(25.70)
(b) Diluted		(250.29)	(25.70)

See accompanying notes forming part of the financial statements

1-28 **For and on behalf of the Board of Directors**

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants


JITENDRA AGARWAL
Partner

Place: New Delhi
Date: 24-May-2016


Vivek Garg
Director
DIN 01832495


Ashish Jain
Director
DIN 06814151


VIPUL KUMAR GOEL
Company Secretary

Place: New Delhi
Date: 24-May-2016



PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED
Cash Flow Statement for the year ended 31 March, 2016

	Year ended 31 March, 2016 ₹	Year ended 31 March, 2015 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (Loss) before tax	(3,52,93,203)	(36,23,282)
Adjustments for :		
Finance costs	2,73,72,699	33,76,282
Interest income	79,78,937	(34,356)
Provision for employee benefits	1,98,224	(22,230)
Operating profit/(loss) before working capital changes	2,56,657	(3,03,586)
Adjustments for (increase)/decrease in operating assets:		
Long-term loans and advances	(9,76,10,728)	-
Inventories	-	(28,64,67,392)
Short-term loans and advances	1,94,24,753	(25,09,698)
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	66,10,551	9,96,44,759
Other current liabilities	1,42,21,453	1,30,16,556
Cash generated from/(used in) operations	(5,70,97,314)	(17,66,19,361)
Net income tax paid	(3,08,108)	(34,70,712)
Net cash flow from/(used in) operating activities (A)	(5,74,05,422)	(18,00,90,073)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Decrease/(increase) in deposit under lien not considered as cash and cash equivalents	(1,28,62,608)	(59,00,000)
Interest received	4,99,301	1,94,88,719
Net cash flow from/(used in) investing activities (B)	(1,23,63,307)	1,35,88,719
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance costs paid	1,78,71,236	5,85,70,502
Proceeds from short-term borrowings	56,06,40,000	60,62,56,899
Repayment of short-term borrowings	(50,71,00,000)	(50,00,00,000)
Net cash flow from/(used in) financing activities (C)	7,14,11,236	16,48,27,401
D. Net increase/ (decrease) in Cash and cash equivalents (A+B+C)	16,42,507	(16,73,953)
E. Cash and cash equivalents as at the beginning of the year	4,11,688	20,85,641
F. Cash and cash equivalents as at the end of the year (see note 12)	20,54,195	4,11,688
G. Components of Cash and cash equivalents as at:		
Cash on hand	30,112	39,381
Balances with banks:		
- In current accounts	20,24,083	3,72,307
Cash and cash equivalents as per cash flow statement	20,54,195	4,11,688
Deposits under lien	43,16,62,608	41,88,00,000
Cash and cash equivalents as per balance sheet	43,37,16,803	41,92,11,688

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: New Delhi
Date: 24-May-2016

1-28

For and on behalf of the Board of Directors


Vivek Garg
Director
DIN 01832495


Ashish Jain
Director
DIN 06814151



VIPUL KUMAR GOEL
Company Secretary

Place: New Delhi
Date: 24-May-2016

PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED
Notes forming part of the financial statements

Note 1: Corporate information

Parsvnath Rail Land Project Private Limited ('the Company') was incorporated on 11 November, 2011 as a wholly owned Subsidiary Company of Parsvnath Developers Limited. The Company has been set up for the business of promotion, construction and development of residential projects.

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 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.

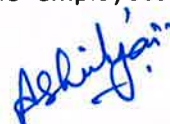
f. Other income

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

g. Employee benefits

Short term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service to the Company.



PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED
Notes forming part of the financial statements

h. Borrowing costs

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

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

j. 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.

k. 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.

l. 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.

PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED
Notes forming part of the financial statements

m. 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.

n. 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.

ugre

2

Jh

Ashwini

PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED
Notes forming part of the financial statements

Note 3: Share capital

	As at 31 March, 2016		As at 31 March, 2015	
	Number	₹	Number	₹
i. Authorised				
Equity shares of ₹ 10 each	2,90,50,000	29,05,00,000	2,90,50,000	29,05,00,000
Cumulative Convertible Preference shares of ₹ 10 each	3,00,000	30,00,000	3,00,000	30,00,000
	2,93,50,000	29,35,00,000	2,93,50,000	29,35,00,000
ii. Issued, subscribed and fully paid-up shares				
Equity Shares of ₹ 10 each fully paid	1,41,011	14,10,110	1,41,011	14,10,110
CLASS A CCPS -Cumulative Convertible Preference shares of ₹ 10 each	2,82,974	28,29,740	2,82,974	28,29,740
	4,23,985	42,39,850	4,23,985	42,39,850

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

I Equity shares

i. Shares outstanding at the beginning of the year	1,41,011	14,10,110	1,41,011	14,10,110
ii. Add: Issued during the year	-	-	-	-
iii. Shares outstanding at the end of the year	1,41,011	14,10,110	1,41,011	14,10,110

II Class A CCPS -Cumulative convertible preference shares

i. Shares outstanding at the beginning of the year	2,82,974	28,29,740	2,82,974	28,29,740
ii. Add: Issued during the year	-	-	-	-
iii. Shares outstanding at the end of the year	2,82,974	28,29,740	2,82,974	28,29,740

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

Equity shares

The Company has issued only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing 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.

Cumulative convertible preference shares (CCPS)

Each Class A CCPS shall compulsorily convert into Class A Shares at the Conversion Price of the Class A CCPS at the end of 18 (eighteen) years from the allotment date or into equity shares as per terms of the Amended & Restated Investors & Security Holders Agreement dated 21 August 2013. The holders of Class A CCPS can also seek conversion into Equity shares prior to the end of the term as set out in the agreement.

(c) Equity Shares held by Holding Company

	As at 31 March, 2016	As at 31 March, 2015
	Number	Number
Parsvnath Developers Limited and its nominees	1,20,000	1,20,000

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

	As at 31 March, 2016		As at 31 March, 2015	
	Number	% holding	Number	% holding
Parsvnath Developers Limited and its nominees	1,20,000	85.00	1,20,000	85.00
Tango Investment Holdings Ltd	21,011	15.00	21,011	15.00

(e) Details of cumulative convertible preference shares held by each shareholder holding more than 5% shares

	As at 31 March, 2016		As at 31 March, 2015	
	Number	% holding	Number	% holding
Tango Investment Holdings Ltd	2,82,974	100.00	2,82,974	100.00

PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED
Notes forming part of the financial statements

Note 4: Reserves and surplus	As at 31 March, 2016 ₹	As at 31 March, 2015 ₹
i Securities premium		
Opening balance	42,64,04,550	42,64,04,550
Closing balance	42,64,04,550	42,64,04,550
ii Deficit in the Statement of Profit and Loss		
Opening balance	(56,88,447)	(20,65,165)
Add: loss for the year	(3,52,93,203)	(36,23,282)
Closing balance	(4,09,81,650)	(56,88,447)
	38,54,22,900	42,07,16,103

Note 5: Long-term borrowings

I Secured debentures

(a) 360 (previous year 360) 15% redeemable non-convertible debentures Series A of ₹ 1,00,00,000, each	3,60,00,00,000	3,60,00,00,000
(b) 24,439 (previous year 24,439) 15% redeemable non-convertible debentures Series B of ₹ 1,00,000 each	2,44,39,00,000	2,44,39,00,000

(i) Both redeemable NCD are secured by first and second charge respectively by way of hypothecation of assets, contracts receivables, all present and future book debts, outstandings, monies receivables, claims and receivables together with all and any interest accruing thereon and exclusive charge respectively in favour of the Debenture Trustee in respect of the leasehold rights of the Company over such site parcels leased by the RLDA to the Company upon payment of the second lease installment and in respect of the remaining site parcels by execution of the subsequent Indenture of mortgage.

(ii) Interest is compounded annually and payable on 31 March every year subject to availability of surplus operating cash flow or on before redemption anytime out of operating surplus cash flows or on redemption date. (also see note 25)

(iii) Debentures are redeemable after the expiry of a period of 36 months but before the expiry of 120 months from the date of allotment i.e 20 december, 2012.

6,04,39,00,000

6,04,39,00,000

Signature

Signature

Signature

Asst. Mgr.

PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED
Notes forming part of the financial statements

Note 5: Long-term borrowings	As at 31 March, 2016 ₹	As at 31 March, 2015 ₹
II Unsecured debentures		
(a) 6,550 (previous year 6,550) 0.1% Optional Convertible Debentures Series X of ₹ 1,00,000 each	65,50,00,000	65,50,00,000
(b) 16,000 (previous year 16,000) 0.1% Optional Convertible Debentures Series Y of ₹ 1,00,000 each	1,60,00,00,000	1,60,00,00,000
<p>(i) Series X and Y holders have right but not obligation at any time prior to 12 months from the allotment date to convert in secured rated, redeemable, cumulative, non-convertible debentures of the Company on identical terms and rights as the NCD B series debentures or into equity shares on the expiry of the tenure or in case of EOD both X and Y OCD shall be compulsorily and obligatorily converted into equity shares as set out in the Optionally Convertible debentures Subscription agreements dated August 21, 2013.</p> <p>(ii) All Series X and Series Y OCD are compulsorily and obligatorily to be redeemed on expiry of 10 years term or earlier at a premium as set out in the Optionally Convertible Debenture subscription agreement dated August 21, 2013.</p> <p>(iii) Interest on Series X and Series Y OCDs is cumulative and is payable within 5 days from the date of conversion / date of redemption as applicable.</p>		
(c) 3,09,634 (previous year 3,09,634) 17.50% Optional Convertible Debentures Series B of ₹ 1040 each	32,20,19,360	32,20,19,360
<p>(i) The Series B OCDs are redeemable at par value on or prior to the maximum term of 20 (twenty) years, or shall compulsorily stand converted into one equity share each in order to give effect to the terms of the Amended & Restated Investors & Security Holders Agreement dated 21 August 2013.</p> <p>(ii) Interest is compounded annually and payable on 31 March every year subject to availability of surplus operating cash flow or on before redemption anytime on out of operating surplus cash flows or on redemption date. (also see note 25)</p>		
	2,57,70,19,360	2,57,70,19,360
	8,62,09,19,360	8,62,09,19,360

Signature

Signature

Signature

Signature

PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED
Notes forming part of the financial statements

	As at 31 March, 2016 ₹	As at 31 March, 2015 ₹
Note 6: Short-term borrowings		
I Secured term loan		
From Others	55,00,00,000	-
<p>(i) Secured by exclusive mortgage of 5 hectares of group housing land of the holding company, hypothecation of holding company's share of cash flows from a residential project, pledge of 51% shareholding in the company held by holding company, Pari passu charge on assignment of leasehold rights for the RLDA project, hypothecation of entire movable assets, assignment of all book debts, operating cash flows, receivables, commissions and further secured by corporate guarantee of holding company and personal guarantee of Mr. Pradeep Jain.</p> <p>(ii) Interest is payable monthly @ 16.00% plus IBR increase. Loan is repayable in 2 installments on 31 March, 2017 and 30 September, 2017.</p>		
II Loans repayable on demand		
Unsecured		
From Holding Company	17,17,86,037	16,11,46,037
From others	-	50,71,00,000
	72,17,86,037	66,82,46,037
Loan from the holding company is free of interest		
Note:		
(i) Default in repayment of borrowings:		
Particulars	Amount ₹	Numbr of days
a. Interest	3,23,78,599	120
Note 7: Trade payables		
(Other than acceptances)		
Trade payables	3,63,04,19,936	3,62,38,09,385
	3,63,04,19,936	3,62,38,09,385

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.

upre

Sh

Asish Jain

PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED
Notes forming part of the financial statements

	<u>As at</u> <u>31 March, 2016</u> ₹	<u>As at</u> <u>31 March, 2015</u> ₹
Note 8: Other current liabilities		
(i) Interest accrued but not due on borrowings	22,28,17,333	22,07,87,833
(ii) Interest accrued but not due- others	3,19,79,822	2,11,43,986
(iii) Interest accrued and due on borrowings	3,23,78,599	-
(iv) Security Deposit received	10,414	10,413
(v) Statutory dues (Withholding taxes)	3,98,70,548	2,56,49,096
(vi) Other payables	1,64,70,000	1,64,70,000
	<u>34,35,26,716</u>	<u>28,40,61,328</u>
Note 9: Short-term provisions		
Provision for employee benefits:		
(i) For Gratuity	1,56,638	-
(ii) For compensated absences	43,866	2,280
	<u>2,00,504</u>	<u>2,280</u>
Note 10: Long-term loans and advances		
(i) Security deposits to Holding Company	28,93,25,000	28,93,25,000
(ii) Claim with RLDA for refund on deemed cancellation of project (see note 24)	12,94,72,18,159	-
(iii) Advance income tax (net of provision for income tax ₹ Nil previous year ₹ 41,530)	70,72,391	67,64,283
	<u>13,24,36,15,550</u>	<u>29,60,89,283</u>
Note 11: Inventories (Valued at lower of cost and net realisable value)		
Work-in-progress (see note 24)	-	1,23,50,09,023
	<u>-</u>	<u>1,23,50,09,023</u>
Note 12: Cash and cash equivalents		
A. Cash and cash equivalents		
(i) Cash on hand	30,112	39,381
(ii) Balance with banks in:		
(a) Current accounts	20,24,083	3,72,307
Cash and cash equivalents (As per AS - 3 Cash Flow Statement)	<u>20,54,195</u>	<u>4,11,688</u>
B. Other bank balances		
(a) Deposits with bank held as margin money	43,16,62,608	41,88,00,000
	<u>43,37,16,803</u>	<u>41,92,11,688</u>
Note 13: Short-term loans and advances		
(i) Loans and advances to related party	2,75,00,000	2,75,00,000
(ii) Advance for acquisition of development rights of land	-	11,61,45,98,408
(iii) Advances to suppliers	30,000	76,713
(iv) Prepaid expenses	16,52,950	13,41,439
(v) Balance with government authorities	-	-
(a) CENVAT credit receivable	-	1,96,89,551
	<u>2,91,82,950</u>	<u>11,66,32,06,111</u>
Note 14: Other current assets		
(i) Interest accrued on deposits	-	84,78,238
	<u>-</u>	<u>84,78,238</u>

[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

[Handwritten signature]

PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED
Notes forming part of the financial statements

	Year ended 31 March, 2016 ₹	Year ended 31 March, 2015 ₹
Note 15: Other income		
(i) Interest on fixed deposits with banks	77,83,234	-
(ii) Interest on income tax refunds	1,95,703	34,356
(iii) Sale of scrap	11,42,857	28,28,854
	91,21,794	28,63,210
Note 16: Cost of material consumed		
Construction material	-	38,87,261
	-	38,87,261
Note 17: Changes in inventories of work-in-progress		
(i) Opening stock of work-in-progress	123,50,09,023	94,85,41,631
(iii) Add: Interest expenses assigned by related party (see note 20)	-	11,26,28,061
(iii) Add: Expenses incurred during the year	9,76,10,728	-
(iv) Add: Finance costs allocated to inventory of work-in-progress (see note (i) to note 19)	-	16,21,06,681
(v) Closing stock of work-in-progress	-	123,50,09,023
(vi) Less: amount transferred on deemed cancellation of project (see note 24)	133,26,19,751	-
Net (increase)/decrease in inventory of work-in-progress	-	(1,17,32,650)
Note 18: Employee benefits expense		
Salaries and wages	31,25,423	15,57,761
	31,25,423	15,57,761
Note 19: Finance costs		
(a) Interest expenses on:		
(i) Term loans	2,19,39,724	4,22,93,413
(ii) Others	-	1,42,53,352
(iii) Debentures	5,59,321	5,86,08,388
(iv) Interest on delayed payment of statutory dues	24,63,866	33,32,984
(b) Other borrowing costs	24,09,788	4,69,94,826
	2,73,72,699	16,54,82,963
(c) Less: Finance costs allocated to inventory of work-in-progress (see note (i) below)	-	16,21,06,681
	2,73,72,699	33,76,282

Note (i)

Interest allocable to inventory of projects under progress (work-in-progress) has been segregated from finance cost and reflected under changes in inventories of work-in progress for better presentation (Also see note 17)

Jh

PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED
Notes forming part of the financial statements

	Year ended 31 March, 2016	Year ended 31 March, 2015
	₹	₹
Note 20: Other expenses		
(i) Advertisement expenses	2,47,424	5,03,236
(ii) Repair and maintenance - others	-	27,12,972
(iii) Fees and taxes	1,75,809	6,39,636
(iv) Insurance	27,364	20,284
(v) Postage and telephone expenses	-	460
(vi) Legal and professional charges	1,29,86,793	13,00,136
(vii) License fees	-	1,72,595
(viii) Payment to auditors (see note "i" below)	4,50,000	4,50,000
(ix) Printing and stationery	2,355	13,122
(x) Miscellaneous expenses	27,130	21,37,034
	1,39,16,875	79,49,475

Note 'i'

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

(i) Statutory audit fee	4,50,000	4,50,000
	4,50,000	4,50,000

Note 21: Earnings per share

i. Net loss for calculation of basic and diluted earnings per share	(3,52,93,203)	(36,23,282)
ii. Weighted average number of equity shares outstanding during the year	1,41,011	1,41,011
iii. Basic and diluted earnings per share	(250.29)	(25.70)
iv. Nominal value of equity shares	10	10

Signature

Signature

Signature

Asst. Manager

PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED
Notes forming part of the financial statements

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) Holding Company

- Parsvnath Developers Limited (PDL)

(b) Fellow subsidiaries

- Parsvnath Promoters and Developers Private Limited (PPDPL)
- Parsvnath Hotels Ltd (PHL)

ii. Balances outstanding/transactions with related parties

	PDL ₹	PPDPL ₹	PHL ₹
(a) Transactions during the year			
Interest on debentures	(5,63,53,388)	(-)	(-)
Assignment on acquisition of inventory and other assets	(-)	(11,26,28,061)	(-)
Short-term borrowings received	1,06,40,000 (9,91,56,899)	(-)	(-)
Gurantees issued for loan	55,00,00,000 (-)	(-)	(-)
Short-term Advances	(-)	(-)	-
(b) Balances at year-end			
Equity share capital	12,00,000 (12,00,000)	(-)	(-)
Securities premium	11,33,00,000 (11,33,00,000)	(-)	(-)
Optionally convertible debenture - Series B	32,20,19,360 (32,20,19,360)	(-)	(-)
Interest accrued but not due on OCD's	8,17,04,693 (8,17,04,693)	(-)	(-)
Short-term Advances	(-)	(-)	2,75,00,000 (2,75,00,000)
Security deposit (assets)	28,93,25,000 (28,93,25,000)	(-)	(-)
Short-term borrowings	17,17,86,037 (16,11,46,037)	(-)	(-)
Payables	-	3,61,68,90,662 (3,61,68,90,662)	(-)
Gurantees issued for loan	55,00,00,000 (-)	(-)	(-)

Note: Figures in brackets represent figures as at and for the year ended 31 March, 2015.

PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED
Notes forming part of the financial statements

Note 24:

Parsvnath Developers Limited (PDL), the holding Company was selected as bidder for grant of lease for development of residential, commercial and other related infrastructure facilities on plot of land at Sarai Rohilla, Kishanganj by Rail Land Development Authority (RLDA) vide its 'Letter of Acceptance' (LOA) dated 26 November, 2010. Parsvnath Promoters and Developers Private Limited (PPDPL) was formed as a Special Purpose Vehicle (SPV) for the purposes of development of the project and RLDA accorded approval on 7 February, 2011 adopting PPDPL as SPV.

Subsequently as per the requirement of RLDA and their subsequent approvals, PDL incorporated a new SPV Parsvnath Rail Land Project Private Limited (PRLPPL) for development and implementation of the project and accordingly all assets and liabilities were transferred by PPDPL to the company.

Due to multifarious reasons, including the lack of statutory approvals of lay out and building plans from NDMC, due to discrepancies noticed by the NDMC in the title of the Project Land, the Company was not able to achieve 'Financial Closure' as per Article 7 of the agreement, which resulted in deemed termination of the agreement. The company has invoked the arbitration clause in the development agreement for recovery of amount paid to RLDA together with interest thereon on deemed termination of agreement. The arbitration proceedings have since commenced.

Advance amount paid to RLDA for allotment of project including amount spent on development of the said project (which was included under 'Inventory' as at 31 March, 2015) has been shown as recoverable from RLDA and accordingly reflected in Note 10 'Long-term loans and advances'.

Considering the facts and based on discussions with legal counsel, the management is confident of recovering the full amount from RLDA, as reflected in the books of account.

Note 25:

The holders of non convertible debentures and the Company by way of board's resolution have decided that interest on these debentures will accrue on the date on which the Company achieves the target sale and if sales target is not achieved by the specified date or such other date as unanimously approved, no interest shall be paid to the debentureholders. Accordingly, the Company has not accrued any liability for interest on these debentures for the year.

The holder of optionally convertible debentures Series B has also accorded its approval for moratorium in the accrual and payment of debenture interest from 1 April, 2015 to 31 March, 2016. The Board of Directors of the Company has also approved the waiver of interest for the said period. Accordingly, the Company has not accrued any liability for interest on these debentures.

Note 26: Segment reporting

As the Company operates in single business (Real estate) and geographical segment (India), the reporting requirements for primary and secondary segment disclosures prescribed by Accounting Standard AS-17 on 'Segment Reporting' are not applicable.

Note 27: 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 28: Previous year's figures


Previous period'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


Vivek Garg
Director
DIN 01832495


Ashish Jain
Director
DIN 06814151


VIPUL KUMAR GOEL
Company Secretary


Place: New Delhi
Date: 24-May-2016