

**BOARD'S REPORT**

**Dear Shareholders,**

Your Directors have pleasure in presenting the 6<sup>th</sup> Annual Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2017.

**1. FINANCIAL RESULTS**

Particulars	(Rs. in lakhs)	
	Financial Year 2016-17	Financial Year 2015-16
Total Revenue	310.88	91.22
Net Profit/(Loss) before Tax	(1005.56)	(352.93)
Provision for Tax	-	-
Net Profit/ (Loss) after Tax	(1005.56)	(352.93)

Note: The Company has adopted Indian Accounting Standards ("Ind AS") from 1st April, 2016 and accordingly these financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013. Figures for the corresponding year ended 31st March, 2016 have been restated to comply with Ind AS.

**2. DIVIDEND**

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

**3. TRANSFER OF AMOUNT TO RESERVES**

During the financial year 2016-17, your Company has not transferred any amount to reserves.

**4. REVIEW OF THE PROJECT AND THE STATE OF COMPANY'S AFFAIRS**

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 has been terminated. Pursuant to deemed termination of DA, the Company has requested RLDA to refund the amounts 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, alleging that the DA has terminated and treated as Developers' Event of Default thereby enabling RLDA to forfeit the entire amount paid by the Company. In relation to this dispute, arbitration proceedings are going on and award is awaited. Your Company has an outstanding claim of Rs. 129472.18 lakhs with RLDA on the deemed cancellation of the project.

**Parsvnath Rail Land Project Pvt. Ltd.**

**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, 43010500, Fax : 011-43050473

**E-mail :** secretarial@parsvnath.com



## REVIEW OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

During the year under review, your Company earned other income of Rs. 310.88 lakhs including interest income of Rs. 303 lakhs. Your Company incurred a loss after tax of Rs. 1005.56 lakhs as against loss after tax of Rs. 352.93 lakhs in the previous year, mainly due to increase in finance costs.

## 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.

## 5. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

## 6. PUBLIC DEPOSITS

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

## 7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review and the period subsequent thereto, there was no change in the directorship of the Company.

In accordance with the provisions of the Companies Act, 2013, Mr. Ashish Jain (DIN 06814151) will retire by rotation at the ensuing Annual General Meeting of the Company and is eligible for re-appointment.

The Board at present comprises of three non-executive directors- Mr. Ashish Jain, Mr. Pankaj Aggarwal and Mr. Vivek Garg.

Mr. Raminder Singh Kohli, Chief Financial Officer of the Company, resigned with effect from January 21, 2017.

The Company being a listed 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.

## 8. 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

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Since the Companies Act, 2013 requires that 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.

## 9. NUMBER OF MEETINGS OF THE BOARD AND ITS COMMITTEES

### Board Meeting

During the financial year 2016– 2017, the Board met four (4) times with adequate quorum on May 24, 2016, August 30, 2016, December 13, 2016, and February 28, 2017.

The attendance at the Board Meetings held during the year under review is as under:

S. No.	Name of the Directors	Number of Meetings which director was entitled to attend	Number of Meetings attended
1.	Mr. Vivek Garg	4	4
2.	Mr. Pankaj Aggarwal	4	4
3.	Mr. Ashish Jain	4	4

### Audit Committee Meeting

During the financial year 2016–2017, the Audit Committee of Board of Directors met four (4) times with adequate quorum on May 24, 2016, August 30, 2016, December 13, 2016, and February 28, 2017.

The attendance at the Audit Committee Meetings held during the year under review is as under:

S. No.	Name of the Members	Number of Meetings which member was entitled to attend	Number of Meetings attended
1.	Mr. Vivek Garg	4	4
2.	Mr. Pankaj Aggarwal	4	4
3.	Mr. Ashish Jain	4	4

## 10. 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.

## 11. 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.

*W L Aggarwal*

## 12. 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.

## 13. 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 covered under Section 188 of the Companies Act, 2013 with its Related Parties as defined under section 2(76) of the Companies Act, 2013.

## 14. 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.



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## 15. AUDITORS

### (a) Statutory Auditors

M/s. S.N. Dhawan & Co., Chartered Accountants (Firm Registration No. 000050N), were appointed as Statutory Auditors to hold office for a term of five years from the conclusion of Fifth Annual General Meeting held on September 30, 2016 until the conclusion of Tenth Annual General Meeting for conducting the audit for the financial years 2016-17 to 2020-21 at such remuneration as may be decided by the Board of Directors of the Company, subject to ratification of such appointment by members at each of the intervening Annual General Meeting.

Further, vide letter dated November 4, 2016, they informed the Company that the firm S.N. Dhawan & Co, Chartered Accountants, have been converted into Limited Liability Partnership with the name S.N. Dhawan & Co. LLP having been duly registered by the Registrar, Delhi, vide LLP Identity No. AAH-1125 dated August 8, 2016 and by the Institute of Chartered Accountants of India (ICAI) vide No. 000050N/N500045 dated October 12, 2016.

It is proposed to ratify their appointment as the Statutory Auditors of the Company to hold office until the conclusion of the Seventh Annual General Meeting.

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.

### Statutory Auditors Report

There are no qualifications, reservations or adverse remarks in the Auditors' Report for the financial year ended 31<sup>st</sup> March 2017.

However, the Auditors have made certain observations in clauses (iii) and (vii) of the Annexure A to their Report to which response of your Directors 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 and interest thereon amounting to Rs. 460.99 lakhs as stated in the Audit Report could not be deposited.

### (b) Secretarial Auditors and Secretarial Audit Report

The Company had appointed M/s Chandrasekaran & Associates, Company Secretaries, to conduct the Secretarial Audit of the Company for the financial year 2016-17. The Secretarial Audit report for the financial year ended March 31, 2017 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. Meeting of Independent Directors will be convened once they are appointed.
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 Mr. Vipul Kumar Goel as the Company Secretary w.e.f. 22.04.2013. The Company had appointed Mr. Raminder Singh Kohli as the Chief Financial Officer w.e.f. 10.03.2015, pursuant to the provisions of Section 203 of the Companies Act, 2013. However, Mr. Raminder Singh Kohli resigned from the office of Chief Financial Officer with effect from 21.01.2017.

The Company is in the process of identifying the suitable persons to be appointed as the Chief Financial Officer and Managing Director / Chief Executive Officer/ Manager/ Whole-time Director as required in terms of the said provisions.

4. 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 will be done consequent to their appointment.
5. The Nomination and Remuneration policy followed by Parsvnath Developers Limited is applicable to the Company.
6. As per the Clause 15.3 of Amended and Restated Investment and Security Holders' Agreement, dated 21.08.2013, the investors have right to nominate two directors on the Board of the Company. The investors have yet not exercised their right to nominate the directors on the Board in terms of the above said Agreement.
7. Due to an oversight, some filings were delayed to the Stock Exchange.

## 16. LISTING WITH STOCK EXCHANGE

During the year under review, two series of Non-Convertible Debentures of the Company amounting to Rs. 360 crores and Rs. 244.39 crores respectively continued to be listed on BSE. The Company has paid the listing fee for the financial year 2017-18.

## 17. DISCLOSURES

### 1. 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.

## 2. 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.

Further, as per the notification of Ministry of Corporate Affairs (MCA) dated June 30, 2016 requiring the list of top ten employees, the list of the employees of the Company is annexed as **Annexure II** to this Report.

## 3. 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.

## 4. 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 III** to this Report.

## 18. 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.

## 19. 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.

## 20. CORPORATE SOCIAL RESPONSIBILITY

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

## 21. 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.

## 22. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise;
2. Issue of shares (including sweat equity shares) to the employees of the Company under any scheme;
3. The Company has no Managing Director or Whole-time Director and none of the Non-executive Directors of the Company receive any remuneration or commission from its holding or subsidiary company.

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 31, 2017



FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

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 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, 2017 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, 2017 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:

- a) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 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 observation:

1. The Company has not complied with the provisions of section 149 of the Companies Act, 2013, relating to appointment of Independent Director, Woman Director and the meeting of Independent Director was not convened during the period under review.
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 Companies Act, 2013, relating to appointment of Whole Time Key managerial personnel except for Company secretary and Chief Financial Officer who has resigned w.e.f. 21.01.2017.



4. The Company has not complied with the provisions of section 134 of the Companies Act, 2013, relating to Performance Evaluation Mechanism (Independent Directors & Board).
5. The Company has not complied with the provisions of section 178 of the Companies Act, 2013, relating formulation of Appointment & Remuneration of Directors policy.
6. Non-compliance with Clause 15.3 of Investor Agreement dated 21.08.2013 relating to Appointment of two investor directors on the board of the company.
7. There have been certain instances of delay in the filings to the Stock exchange(s).

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 at a shorter notice for which necessary approvals obtained) 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 a Public Limited Company, being a subsidiary of public company and the Company is maintaining three directors and seven shareholders.



Date: 31.08.2017  
Place: New Delhi

For Chandrasekaran Associates  
Company Secretaries



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

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

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.

Date: 31.08.2017  
Place: New Delhi

For Chandrasekaran Associates  
Company Secretaries



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

## List of employees of the Company as per Ministry of Corporate Affairs (MCA) notification dated June 30, 2016

S. No	Name	Designation / Nature of duties	Qualifications	Remuneration (Rs.)	Experience (Years)	Date of Joining	Age (Years)	Last Employment Held	Number & % of shares held in the Company as at March 31, 2017	
									Number	%
1	Mr. Vipul Kumar Goel	Company Secretary	L.L.B, FCS, FICWA,	15,18,824	31	21.04.2013	57	Assotech Ltd.	Nil	Nil
2	Mr. Raminder Singh Kohli	Chief Financial Officer	B.Com (Hons.), CA	15,33,748	21	10.03.2015	52	Mahagun India Pvt. Ltd.	Nil	Nil

## Notes:

1. The Company had only 2 employees during the financial year ended March 31, 2017.
2. The nature of employment is on contractual basis. Other terms and conditions of the employment are as per Company's policy.
3. All the employees have adequate experience to discharge the responsibilities assigned to them and their designations are indicative of their nature of duties.
4. None of the employees mentioned above is a relative of any Director of the Company.



## Form No. MGT-9

**EXTRACT OF ANNUAL RETURN**  
as on the financial year ended on March 31, 2017

[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	<b>Parsvnath Rail Land Project Private Limited</b>
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	<b>M/s Link Intime India Pvt. Ltd.</b> 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
	Parsvnath Developers Limited	L45201DL1990PLC040945	Holding Company	85.10%	2(87)(ii)

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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	
<b>A. Promoters:</b>									
(1) <b>Indian</b>									
a) Individual/HUF*	-	6	6	-	-	6	6	-	
b) Central Govt									
c) State Govt									
d) Bodies Corp.	1,19,994	-	1,19,994	85.10	1,19,994	-	1,19,994	85.10	-
e) Banks/FI									
f) Any Other									
<b>Sub-total (A) (1):-</b>	<b>1,19,994</b>	<b>6</b>	<b>1,20,000</b>	<b>85.10</b>	<b>1,19,994</b>	<b>6</b>	<b>1,20,000</b>	<b>85.10</b>	<b>-</b>
(2) <b>Foreign</b>									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any Other									
<b>Sub-total (A) (2):-</b>									
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>1,19,994</b>	<b>6</b>	<b>1,20,000</b>	<b>85.10</b>	<b>1,19,994</b>	<b>6</b>	<b>1,20,000</b>	<b>85.10</b>	<b>-</b>
<i>*Equity Shares held by 6 Individuals at A.(1)a are held as nominee of the Body Corporate at A.(1)d.</i>									
<b>B. Public Shareholding</b>									
<b>1 Institutions</b>									
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)									
<b>Sub-total (B) (1):-</b>									
<b>2 Non-Institutions</b>									
a) Bodies Corp.									
Indian									
Overseas		21,011	21,011	14.90		21,011	21,011	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)									
<b>Sub-total (B) (2):-</b>		<b>21,011</b>	<b>21,011</b>	<b>14.90</b>		<b>21,011</b>	<b>21,011</b>	<b>14.90</b>	<b>-</b>
<b>Total public shareholding (B) = (B)(1)+(B)(2)</b>		<b>21,011</b>	<b>21,011</b>	<b>14.90</b>		<b>21,011</b>	<b>21,011</b>	<b>14.90</b>	<b>-</b>
<b>C Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>1,19,994</b>	<b>21,017</b>	<b>1,41,011</b>	<b>100.00</b>	<b>1,19,994</b>	<b>21,017</b>	<b>1,41,011</b>	<b>100.00</b>	<b>-</b>





(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change during 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)	1,19,994	85.10	59.93	1,19,994	85.10	59.93	
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			-
	<b>Total</b>	<b>1,20,000</b>	<b>85.10</b>	<b>59.93</b>	<b>1,20,000</b>	<b>85.10</b>	<b>59.93</b>	-

(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	-	-	-	-
	At the end of the year	-	-	-	-

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

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
	<b>For each of the Top 10 Shareholders</b>				
	<b>At the beginning of the year</b>				
	Equity Shares	21,011	4.96	21,011	4.96
	Compulsorily Convertible Preference Shares	2,82,974	66.74	2,82,974	66.74
	<b>Total</b>	<b>3,03,985</b>	<b>71.7</b>	<b>3,03,985</b>	<b>71.7</b>
	<b>At the end of the year (or date of separation, if separated during the year)</b>				
	Equity Shares	21,011	4.96	21,011	4.96
	Compulsorily Convertible Preference Shares	2,82,974	66.74	2,82,974	66.74
	<b>Total</b>	<b>3,03,985</b>	<b>71.7</b>	<b>3,03,985</b>	<b>71.7</b>


(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
	<b>For each of the Directors and KMP</b>				
	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.)
<b>Indebtedness at the beginning of the financial year</b>				
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	0		3,23,78,599
iii) Interest accrued but not due	13,58,13,699	13,54,53,456		27,12,67,155
<b>Total (i+ii+iii)</b>	<b>6,76,20,92,298</b>	<b>2,88,42,58,853</b>		<b>9,64,63,51,151</b>
<b>Change in Indebtedness during the financial year</b>				
Addition				
Reduction	3,23,78,599	17,17,86,037		20,41,64,636
		1,04,15,056		1,04,15,056
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	6,59,39,00,000	2,57,70,19,360		9,17,09,19,360
ii) Interest due but not paid	0	0		
iii) Interest accrued but not due	13,58,13,699	12,50,38,400		26,08,52,099
<b>Total (i+ii+iii)</b>	<b>6,72,97,13,699</b>	<b>2,70,20,57,760</b>		<b>9,43,17,71,459</b>

## 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		-

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**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	
<b>1</b>	<b>Independent Directors</b>	-	-	-	-
	Fee for attending board/committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (1)</b>	-	-	-	-
<b>2</b>	<b>Other Non-Executive Directors</b>	-	-	-	-
	Fee for attending board/committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (2)</b>	-	-	-	-
	<b>Total (B) - (1+2)</b>	-	-	-	-
	Total Managerial Remuneration (A+B)	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-

**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	Not Applicable			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961		14,65,800	14,89,043	29,54,843
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961		53,024	44,705	97,729
	(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				
	<b>Total</b>		<b>15,18,824</b>	<b>15,33,748</b>	<b>30,52,572</b>
	Ceiling as per the Act				

\* Mr. Raminder Singh Kohli, CFO of the Company resigned w.e.f. January 21, 2017.

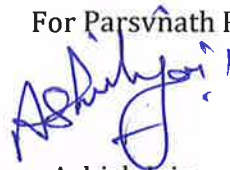




**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

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)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

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



Ashish Jain  
Director

DIN: 06814151



Vivek Garg  
Director

DIN: 01832495

Date: August 31, 2017

Place: Delhi

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

### **Report on the Ind AS Financial Statements**

We have audited the accompanying Indian Accounting Standards (Ind AS) financial statements of Parsvnath Rail Land Project Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under section 133 of the Act.

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 Ind AS 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 Ind AS 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.

We conducted our audit of the Ind AS 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 Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 Ind AS financial statements.



Registered Office :

410 Ansal Bhawan

16 Kasturba Gandhi Marg, New Delhi - 110 001

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S.N. Dhawan & Co. (a partnership firm with Registration No. 2054/71) converted into S.N. DHAWAN & CO. LLP (a limited liability partnership with LLP Identification No. AAH-1125) with effect from 8th August 2016)

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the state of affairs of the Company as at 31 March 2017, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### **Other Matter**

The comparative financial information of the Company for the year ended 31 March 2016 and the transition date opening balance sheet as at 1 April 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31 March 2016 and 31 March 2015 dated 23 May 2016 and 21 May 2015 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of this matter.

### **Emphasis of Matter**

We draw attention to 21 to Ind As financial statements, which indicates material uncertainty related to the outcome of the legal dispute.

Our report is not modified in respect of this matter

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"/"CARO 2016") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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 Ind AS Financial Statements dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017 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 B".



- 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 (as amended), 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 Ind AS financial statements – Refer Note 21 to the Ind AS 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 20 to the Ind AS financial statements;
  - iii. There were no amounts which were required to be transferred to the to the Investor Education and Protection Fund by the Company;
  - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 27 to the Ind AS financial statement.

For **S.N. Dhawan & Co LLP**  
(Formerly S. N. Dhawan & Co.)  
Chartered Accountants  
Firm's Registration No.: 000050N/N500045





**Vinesh Jain**  
Partner  
Membership No.: 087701

Place: New Delhi  
Date: 25 May 2017



**"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1 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, 2017 for a period of more than six months from the date they became payable, except for Tax Deducted as Source (TDS) and interest thereon amounting to Rs. 460.99 lakhs which has remained outstanding as at 31 March, 2017 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, 2017 on account of any dispute.



- 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 **S.N. Dhawan & Co LLP**  
(Formerly S. N. Dhawan & Co.)  
Chartered Accountants  
Firm's Registration No. 300050N/N500045

**Vinesh Jain**

Partner

Membership No.: 087701

Place: New Delhi

Date: 25 May 2017

### **'Annexure B' to the Independent Auditor's Report**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of Parsvnath Rail Land Project Private Limited on the Ind AS financial statements as at and for the year ended 31 March 2017)

### **Independent Auditor's report on the Internal Financial Controls 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 2017 in conjunction with our audit of the Ind AS 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 the company's 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 Act.

### **Auditors' 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") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI.. 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 were 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 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 Ind AS 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 over financial reporting.



### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls 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 Ind AS 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 Ind AS financial statements.

### **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 internal financial controls 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, the Company has, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, 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 **S.N. Dhawan & Co LLP**  
(Formerly S. N. Dhawan & Co.)  
Chartered Accountants  
Firm's Registration No.: 000050N/N500045



**Vinesh Jain**  
Partner  
Membership No.: 087701

Place: New Delhi  
Date: 25 May 2017

**Parsvnath Rail Land Project Private Limited**  
**Balance sheet as at 31 March,2017**

	Notes	As at 31-March-17 Rs. In lakhs	As at 31-March-16 Rs. In lakhs	As at 1- April-15 Rs. In lakhs
<b>Assets</b>				
<b>1. Non-current assets</b>				
a. Financial assets				
i. Other financial assets	3	1,29,472.18	1,32,365.43	2,893.25
b. Other non-current assets	7	4,292.52	4,316.63	4,272.78
Total non-current assets		<u>1,33,764.70</u>	<u>1,36,682.06</u>	<u>7,166.03</u>
<b>2. Current assets</b>				
a. Inventories	4	-	-	12,350.09
b. Financial assets				
i. Cash and cash equivalents	5	22.10	20.54	4.12
c. Current tax assets	6	66.96	70.72	67.64
d. Other current assets	7	311.86	291.83	1,16,632.06
Total current assets		<u>400.92</u>	<u>383.09</u>	<u>1,29,053.91</u>
<b>Total assets</b>		<u><b>1,34,165.62</b></u>	<u><b>1,37,065.15</b></u>	<u><b>1,36,219.94</b></u>
<b>Equity and Liabilities</b>				
<b>1. Equity</b>				
a. Equity share capital	8	14.10	14.10	14.10
b. Convertible preference share capital	9	28.30	28.30	28.30
c. Other equity	10	2,848.69	3,854.24	4,207.17
Total Equity		<u>2,891.09</u>	<u>3,896.64</u>	<u>4,249.57</u>
<b>2. Liabilities</b>				
<b>Non-current liabilities</b>				
a. Financial liabilities				
i. Borrowings	11	86,209.19	86,209.19	86,209.19
Total non-current liabilities		<u>86,209.19</u>	<u>86,209.19</u>	<u>86,209.19</u>
<b>Current liabilities</b>				
a. Financial liabilities				
i. Borrowings	11	5,500.00	7,217.86	6,682.46
ii. Trade Payables	12	24.73	135.29	69.19
iii. Other financial liabilities	13	39,021.83	39,205.47	38,753.03
b. Other current liabilities	14	516.86	398.69	256.48
c. Provisions	15	1.93	2.01	0.02
Total current liabilities		<u>45,064.35</u>	<u>46,959.32</u>	<u>45,761.18</u>
<b>Total liabilities</b>		<u><b>1,31,273.53</b></u>	<u><b>1,33,168.51</b></u>	<u><b>1,31,970.37</b></u>
<b>Total equity and liabilities</b>		<u><b>1,34,165.62</b></u>	<u><b>1,37,065.15</b></u>	<u><b>1,36,219.94</b></u>

See accompanying notes to the financial statements

1-36

For and on behalf of the Board of Directors

In terms of our report attached

**For S. N. Dhawan & Co. LLP**  
(Formerly S. N. Dhawan & Co.)  
Chartered Accountants  
Firm's Registration No. 100050W N500045

**Vinesh Jain**  
Partner  
Membership No. 087701



*Vivek Gara*  
**Vivek Gara**  
Director  
DIN: 01832495

*Ashish Jain*  
**Ashish Jain**  
Director  
DIN: 06814151

*Vipul Kumar Goel*  
**Vipul Kumar Goel**  
Company Secretary

Place: Delhi  
Date: 25 May, 2017

Place: Delhi  
Date: 25 May, 2017

**Parsvnath Rail Land Project Private Limited**  
**Statement of Profit and Loss account for the year ended 31 March, 2017**

	Notes	Year ended	Year ended
		31 March, 2017	31 March, 2016
		Rs. In lakhs	Rs. In lakhs
I Other income	16	310.88	91.22
II <b>Total income</b>		<b>310.88</b>	<b>91.22</b>
III <b>Expenses</b>			
(a) Employee benefits expense	17	27.22	31.25
(b) Finance costs	18	1,270.84	271.02
(c) Other expenses	19	18.38	141.88
<b>Total expenses (III)</b>		<b>1,316.44</b>	<b>444.15</b>
IV <b>Profit/(loss) before tax (II-III)</b>		<b>(1,005.56)</b>	<b>(352.93)</b>
V Tax expense/(benefit):		-	-
VI <b>Profit/(loss) for the year (IV - V)</b>		<b>(1,005.56)</b>	<b>(352.93)</b>
VII <b>Other comprehensive income</b>		-	-
VIII <b>Total comprehensive income for the year (VI+VII)</b>		<b>(1,005.56)</b>	<b>(352.93)</b>
IX Earnings per equity share (face value Rs. 10 per share)	26		
(1) Basic (in ₹)		(713.11)	(250.29)
(2) Diluted (in ₹)		(713.11)	(250.29)

See accompanying notes to the financial statements

1-36

In terms of our report attached

**For S. N. Dhawan & Co. LLP**  
(Formerly S. N. Dhawan & Co.)  
Chartered Accountants  
Firm's Registration No. 000050N/N500045

**Vinesh Jain**  
Partner  
Membership No. 087701

Place: Delhi  
Date: 25 May, 2017

**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: Delhi  
Date: 25 May, 2017

**Parsvnath Rail Land Project Private Limited**  
**Statement of Changes in Equity for the year ended 31 March, 2017**

**a Equity Share Capital**

Particulars	Rs. In lakhs
<b>Balance as at 1 April, 2015</b>	14.10
Changes in equity share capital during the year	-
<b>Balance as at 31 March, 2016</b>	14.10
Changes in equity share capital during the year	-
<b>Balance as at 31 March, 2017</b>	14.10

**b Preference share capital**

Particulars	Rs. In lakhs
<b>Balance as at 1 April, 2015</b>	28.30
Changes in equity share capital during the year	-
<b>Balance as at 31 March, 2016</b>	28.30
Changes in equity share capital during the year	-
<b>Balance as at 31 March, 2017</b>	28.30

**c Other Equity**

Particulars	Reserves and Surplus		
	Securities premium reserve	Retained earnings	Total
	Rs. In lakhs	Rs. In lakhs	Rs. In lakhs
<b>Balance as at 1 April, 2015</b>	<b>4,264.05</b>	<b>(56.88)</b>	<b>4,207.17</b>
Profit for the year	-	(352.93)	(352.93)
Other comprehensive income for the year	-	-	-
<b>Balance as at 31 March, 2016</b>	<b>4,264.05</b>	<b>(409.81)</b>	<b>3,854.24</b>
Profit for the year	-	(1,005.56)	(1,005.56)
Other comprehensive income for the year	-	-	-
<b>Balance as at 31 March, 2017</b>	<b>4,264.05</b>	<b>(1,415.37)</b>	<b>2,848.68</b>

See accompanying notes to the financial statements

In terms of our report attached

**For S. N. Dhawan & Co. LLP**  
 (Formerly S. N. Dhawan & Co.)  
 Chartered Accountants  
 Firm's Registration No. 000050N/N500045

**Vinesh Jain**  
 Partner  
 Membership No. 687701



Place: Delhi  
 Date: 25 May, 2017

**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: Delhi  
 Date: 25 May, 2017

**Parsvnath Rail Land Project Private Limited**  
**Statement of Cash Flows for the year ended 31 March, 2017**

Notes	Year ended 31 March, 2017 Rs. In lakhs	Year ended 31 March, 2016 Rs. In lakhs
<b>Cash flows from operating activities</b>		
Profit/(loss) for the year	(1,005.56)	(352.93)
Adjustments for :		
Finance costs recognised in profit or loss	1,270.84	271.02
Interest income recognised in profit or loss	(304.73)	(79.79)
	(39.45)	(161.70)
<b>Movements in working capital:</b>		
(Increase)/decrease in inventories	-	(976.11)
(Increase)/decrease in other assets	(20.03)	194.25
(Increase)/decrease in other financial assets	2,893.25	-
Increase/(decrease) in trade payables	(110.56)	66.11
Increase/(decrease) in provisions	(0.07)	1.98
Increase/(decrease) in other financial liabilities	244.30	-
Increase/(decrease) in other current liabilities	118.17	142.20
<b>Cash generated from operations</b>	3,085.60	(733.27)
Income tax paid (net)	3.76	(3.08)
<b>Net cash (used in)/generated by operating activities</b>	3,089.36	(736.35)
<b>Cash flows from investing activities</b>		
Decrease/(increase) in deposits under lien not considered as cash and cash equivalents	31.81	(128.63)
Interest received	297.02	164.57
<b>Net Cash (used in) /generated by investing activities</b>	328.83	35.95
<b>Cash flows from financing activities</b>		
Interest paid	(1,698.77)	181.42
Proceeds from borrowings	-	5,606.40
Repayment of borrowings	(1,717.86)	(5,071.00)
<b>Net Cash (used in)/generated by financing activities</b>	(3,416.63)	716.82
<b>Net increase in Cash and cash equivalents</b>	1.56	16.42
<b>Cash and cash equivalents at the beginning of the year</b>	20.54	4.12
<b>Cash and cash equivalents at the end of the year</b>	22.10	20.54

- 1) The statement of cash flows has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statements of cash flows'.  
2) Figures in brackets indicate cash outflows.

See accompanying notes to the financial statements

1-36

In terms of our report attached

For and on behalf of the Board of Directors

**For S. N. Dhawan & Co. LLP**  
(Formerly S. N. Dhawan & Co.)  
Chartered Accountants  
Firm's Registration No. 000049/N500045

**Vivek Garg**  
Director  
DIN: 01832495

**Ashish Jain**  
Director  
DIN: 06814151

**Vinesh Jain**  
Partner  
Membership No. 087701



**Vipul Kumar Goel**  
Company Secretary

Place: Delhi  
Date: 25 May, 2017

Place: Delhi  
Date: 25 May, 2017



**Parsvnath Rail Land Project Private Limited**  
**Notes to the financial statements for the year ended 31 March, 2017**

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## **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.

## **2. Significant accounting policies**

### **2.1 Basis of preparation**

The financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Upto the year ended 31 March, 2016, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP'). These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1 April, 2015. The financial statements for the year ended 31 March, 2016 and the opening balance sheet as at 1<sup>st</sup> April, 2015 have been restated in accordance with Ind AS for comparative information.

The financial statements are presented in Indian Rupee and all values are rounded to the nearest lakhs, except when otherwise stated.

### **2.2 Basis of measurement and presentation**

The financial statements have been prepared on the historical cost basis unless otherwise indicated.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

### **2.3 Borrowing costs**

Borrowing costs directly attributable to the acquisition or construction of qualifying assets are capitalised / inventorised until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### **2.4 Employee benefits**

#### **Short-term employee benefits**

Liabilities recognised in respect of short-term employee benefits in respect of wages and salaries, performance incentives, leaves etc. are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

### **2.5 Taxation**

Income tax expense for the year comprises of current tax and deferred tax.

#### **Current tax**

Current tax is the expected tax payable on the taxable income for the year calculated in accordance with the Income Tax Act and any adjustment to taxes in respect of previous years.



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### **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding amounts used in the computation of taxable income. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, the carry forward of unused tax losses and unused tax credits. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

### **Current and deferred tax for the year**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### **2.6 Inventories**

Inventory comprises property under construction (work-in-progress) and is valued at lower of cost and net relisable value. Cost includes cost of land, development rights, materials, services, overhead related to projects under construction and apportioned borrowing costs.

### **2.7 Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. 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.

### **2.8 Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. The Company does not recognise a contingent liability, but discloses its existence in the notes to the financial statements.

### **2.9 Cash and cash equivalents**

Cash and cash equivalents for the purpose of Cash Flow Statement comprises cash on hand, cash at bank and short-term deposits with banks with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### **2.10 Earnings per share**

Basic earnings per share is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period and for all period presented is adjusted for events, such as bonus shares, that have changed the number of equity shares outstanding without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit for the year attributable to equity shareholders 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



**Parsvnath Rail Land Project Private Limited**  
**Notes to the financial statements for the year ended 31 March, 2017**

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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.

### **2.11 Current/non-current classification**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period;
- Cash and cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current

A liability is treated as current when :

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

### **2.12 Operating cycle**

The operating cycle is the time gap between the acquisition of the asset for processing and their realization in cash and cash equivalents. 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 real estate projects and 12 months for others for the purpose of classification of its assets and liabilities as current and non-current.

### **2.13 Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### **2.14 Financial assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.



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### **Classification of financial assets**

Debt instruments that meet the following conditions are subsequently measured at amortised cost :

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

### **Effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

## **2.15 Financial liabilities and equity instruments**

### **Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

### **Financial liabilities**

All financial liabilities are measured at amortised cost at the end of subsequent accounting period.



**Parsvnath Rail Land Project Private Limited**  
**Notes to the financial statements for the year ended 31 March, 2017**

	As at 31-March-17 Rs. In lakhs	As at 31-March-16 Rs. In lakhs	As at 1- April-15 Rs. In lakhs
<b>3 . Other financial assets</b>			
<b>Non-Current</b>			
a. Security deposits to related party	-	2,893.25	2,893.25
b. Claim with RLDA on deemed cancellation of project (see note 21)	1,29,472.18	1,29,472.18	-
	<b>1,29,472.18</b>	<b>1,32,365.43</b>	<b>2,893.25</b>
<b>4 . Inventories</b> (lower of cost and net realisable value)			
a. Work-in-progress (see note 21)	-	-	12,350.09
	<b>-</b>	<b>-</b>	<b>12,350.09</b>
<b>5 . Cash and cash equivalents</b>			
a. Balances with banks in current account	22.10	20.24	3.73
b. Cash on hand	0.00	0.30	0.39
	<b>22.10</b>	<b>20.54</b>	<b>4.12</b>
<b>6. Current tax assets (net)</b>			
a. Tax refund receivable	66.96	70.72	67.64
	<b>66.96</b>	<b>70.72</b>	<b>67.64</b>
<b>7. Other assets</b>			
<b>Non-Current</b>			
a. Deposits with bank held as margin money	4,284.81	4,316.63	4,188.00
b. Interest accrued on deposits	7.71	-	84.78
	<b>4,292.52</b>	<b>4,316.63</b>	<b>4,272.78</b>
<b>Current</b>			
a. Advances to related parties	277.02	275.00	275.00
b. Prepaid expenses	34.54	16.53	13.41
c. Advances to suppliers	0.30	0.30	0.77
d. Advance for acquisition of development rights of land	-	-	1,16,145.98
e. Cenvat credit receivable	-	-	196.90
	<b>311.86</b>	<b>291.83</b>	<b>1,16,632.06</b>



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**Parsvnath Rail Land Project Private Limited**  
**Notes to the financial statements for the year ended 31 March, 2017**

**8. Equity Share Capital**

	As at 31-March-17	As at 31-March-16	As at 01-April-15
	Rs. in lakhs	Rs. in lakhs	Rs. in lakhs
<b>Authorised Share Capital</b> 2,90,50,000 fully paid equity shares of Rs. 10 each (as at 31 March, 2016: 2,90,50,000; as at 01 April, 2015: 2,90,50,000)	<b>2,905.00</b>	<b>2,905.00</b>	<b>2,905.00</b>
<b>Issued, subscribed and fully paid share capital</b> 1,41,011 fully paid equity shares of Rs 10 each (as at 31 March, 2016: 1,41,011; as at 01 April, 2015: 1,41,011)	14.10	14.10	14.10
	<b>14.10</b>	<b>14.10</b>	<b>14.10</b>

**8.1- Reconciliation of share capital**

	Number of Shares in	Share Capital Rs./lakhs
Balance as at April 1, 2015	1,41,011	14.10
Movements during the year	-	-
Balance as at March 31, 2016	1,41,011	14.10
Movements during the year	-	-
Balance as at March 31, 2017	1,41,011	14.10

**8.2 - Rights, preferences and restrictions attached to each class of 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.

**8.3- Details of share held by the holding company, its subsidiaries and associates**

	As at 31-March-17	As at 31-March-16	As at 01-April-15
	No. of shares	No. of shares	No. of shares
<b>Holding company</b> Parsvnath Developers Limited	1,20,000	1,20,000	1,20,000

**8.4- Details of shares held by each shareholder holding more than 5%**

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Number of shares held	% holding	Number of shares held	% holding	Number of shares held	% holding
<b>Fully paid equity shares</b>						
Parsvnath Developers Limited	1,20,000	85%	1,20,000	85%	1,20,000	85%
Tango Investment Holdings Ltd.	21,011	15%	21,011	15%	21,011	15%



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**Parsvnath Rail Land Project Private Limited**  
**Notes to the financial statements for the year ended 31 March, 2017**

**9. Convertible preference share capital**

	As at 31-March-17	As at 31-March-16	As at 1- April-15
	Rs.in lakhs	Rs.in lakhs	Rs.in lakhs
<b>Authorised share capital</b>			
3,00,000 Class A -Cumulative convertible preference share of Rs. 10 each (as at 31 March, 2016: 300,000 shares; as at 1 April, 2015: 300,000 shares)	30.00	30.00	30.00
<b>Issued and subscribed capital</b>			
282,974 Class A -Cumulative convertible preference share of Rs. 10 each (as at 31 March, 2016: 282,974 shares; as at 1 April, 2015: 282,974 shares)	28.30	28.30	28.30
	<b>28.30</b>	<b>28.30</b>	<b>28.30</b>

**9.1- Reconciliation of share capital**

	Number of shares	Share Capital Rs. In lakhs
Balance as at 1st April 2015	2,82,974	28.30
Movements during the year	-	-
Balance as at 31st March 2016	2,82,974	28.30
Movements during the year	-	-
Balance as at 31 March, 2017	<b>2,82,974</b>	<b>28.30</b>

**9.2 - Rights, preferences and restrictions attached to each class of equity shares**

Each CCPS shall compulsorily convert at the Conversion Price of the CCPS at the end of 18 years from the allotment, date into equity shares as per terms of the Amended and Restated Investors and 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.

**9.3 -Details of shares held by each shareholder holding more than 5% shares**

	As at 31-March-17		As at 31-March-16		As at 1- April-15	
	Number of Shares held	% holding of this class of shares	Number of Shares held	% holding of this class of shares	Number of Shares held	% holding of this class of shares
Tango Investment Holdings Ltd	2,82,974	100%	2,82,974	100%	2,82,974	100%



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**Parsvnath Rail Land Project Private Limited**  
**Notes to the financial statements for the year ended 31 March, 2017**

	<u>As at</u> <u>31-March-17</u> <u>Rs. In lakhs</u>	<u>As at</u> <u>31-March-16</u> <u>Rs. In lakhs</u>	<u>As at</u> <u>1- April-15</u> <u>Rs. In lakhs</u>
<b>10. Other equity</b>			
a. Securities premium reserve	4,264.05	4,264.05	4,264.05
b. Retained earnings	(1,415.36)	(409.81)	(56.88)
	<u>2,848.69</u>	<u>3,854.24</u>	<u>4,207.17</u>
<b>a. Securities premium reserve</b>			
Balance at the beginning of the year	4,264.05	4,264.05	4,264.05
Movements	-	-	-
Balance at the end of the year	<u>4,264.05</u>	<u>4,264.05</u>	<u>4,264.05</u>
<b>b. Retained earnings</b>			
Balance at the beginning of the year	(409.81)	(56.88)	(20.65)
Profit/(Loss) for the year	(1,005.56)	(352.93)	(36.23)
Balance at the end of the year	<u>(1,415.36)</u>	<u>(409.81)</u>	<u>(56.88)</u>

**Nature and purpose of reserves:**

- a. Securities premium reserve - The amount received in excess of the face value of the equity shares and convertible preference shares issued by the Company is recognised in securities premium reserve.
- b. Retained earnings - Retained earnings are profits of the Company earned till date.



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**Parsvnath Rail Land Project Private Limited**  
**Notes to the financial statements for the year ended 31 March,2017**

	As at 31-March-17 Rs. In lakhs	As at 31-March-16 Rs. In lakhs	As at 1- April-15 Rs. In lakhs
<b>11. Borrowings</b>			
<b>Non current</b>			
<b>Unsecured - at amortised cost</b>			
a. 0.1% Optionally convertible debentures Series X of Rs. 1 lakh each (31 March,2017: 6,550; 31 March 2016: 6,550; 01 April 2015:6,550 optionally convertible debentures of Rs 1 lakh each)	6,550.00	6,550.00	6,550.00
b. 0.1% Optionally convertible debentures Series Y of Rs. 1 lakh each ( 31 March,2017: 16,000; 31 March 2016:16,000; 01 April 2015:16,000 optionally convertible debentures of Rs 1 lakh each)	16,000.00	16,000.00	16,000.00
<p>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>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>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. 17.50% Optionally convertible debentures Series B of Rs. 1040 each (31 March, 2017: 3,09,634; 31 March 2016:3,09,634; 01 April 2015:3,09,634 optionally convertible debentures of Rs 1,040 each)	3,220.19	3,220.19	3,220.19
<p>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 and Restated Investors and Security Holders Agreement dated 21 August 2013.</p> <p>Interest is compounded annually and payable on 31 March every year subject to availability of surplus operating cash flow or before redemption, anytime out of operating surplus cash flows or on redemption date.</p>			
<b>Secured - at amortised cost</b>			
a. 15% Redeemable non convertible debentures Series A of Rs. 1 lakh each (31 March,2017: 360; 31 March 2016: 360; 01 April 2015: 360 redeemable non convertible debentures of Rs 1 lakh each)	36,000.00	36,000.00	36,000.00
b. 15% Redeemable non convertible debentures Series B of Rs. 1 lakh each (31 March,2017: 24,439; 31 March 2016:24,439; 01 April 2015:24,439 debentures	24,439.00	24,439.00	24,439.00
	<b>86,209.19</b>	<b>86,209.19</b>	<b>86,209.19</b>



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**Parsvnath Rail Land Project Private Limited**  
**Notes to the financial statements for the year ended 31 March, 2017**

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 instalment and in respect of the remaining site parcels by execution of the subsequent Indenture of

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.

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 and 21 August, 2013 respectively.

	<u>As at 31-March-17 Rs. In lakhs</u>	<u>As at 31-March-16 Rs. In lakhs</u>	<u>As at 1- April-15 Rs. In lakhs</u>
<b>Borrowings</b>			
<b>Current</b>			
<b>Unsecured - at amortised Cost</b>			
a. Loans from related parties	-	1,717.86	1,611.46
b. Loans from other parties	-	-	5,071.00
<b>Secured - at amortised Cost</b>			
a. Loans from other parties	5,500.00	5,500.00	-
	<u><b>5,500.00</b></u>	<u><b>7,217.86</b></u>	<u><b>6,682.46</b></u>

Secured by exclusive mortgage of 5 hectares of group housing land of 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, Corporate Guarantee of holding company and personal

Interest is payable monthly @ 16.00% plus IBR increase. Loan is repayable on 30 September, 2017

**12. Trade Payables**

	<u>As at 31-March-17 Rs. In lakhs</u>	<u>As at 31-March-16 Rs. In lakhs</u>	<u>As at 1- April-15 Rs. In lakhs</u>
<b>Current</b>			
Trade Payables	24.73	135.29	69.19
	<u><b>24.73</b></u>	<u><b>135.29</b></u>	<u><b>69.19</b></u>

Note:

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.

**13. Other Financial Liabilities**

	<u>As at 31-March-17 Rs. In lakhs</u>	<u>As at 31-March-16 Rs. In lakhs</u>	<u>As at 1- April-15 Rs. In lakhs</u>
<b>Current</b>			
a. Interest accrued but not due on debenture	2,124.02	2,228.17	2,207.88
b. Interest accrued but not due on others	484.50	484.50	376.14
c. Interest accrued and due on borrowings	-	323.79	-
d. Security deposit received	0.10	0.10	0.10
e. Payables on assignment	36,168.91	36,168.91	36,168.91
f. Book overdrafts	244.30	-	-
	<u><b>39,021.83</b></u>	<u><b>39,205.47</b></u>	<u><b>38,753.03</b></u>

**14. Other liabilities**

	<u>As at 31-March-17 Rs. In lakhs</u>	<u>As at 31-March-16 Rs. In lakhs</u>	<u>As at 1- April-15 Rs. In lakhs</u>
<b>Current</b>			
a. Statutory liabilities	516.86	398.69	256.48
	<u><b>516.86</b></u>	<u><b>398.69</b></u>	<u><b>256.48</b></u>

**15. Provisions**

	<u>As at 31-March-17 Rs. In lakhs</u>	<u>As at 31-March-16 Rs. In lakhs</u>	<u>As at 1- April-15 Rs. In lakhs</u>
<b>Current</b>			
Employee benefits	1.93	2.01	0.02
	<u><b>1.93</b></u>	<u><b>2.01</b></u>	<u><b>0.02</b></u>



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**Parsvnath Rail Land Project Private Limited**  
**Notes to the financial statements for the year ended 31 March, 2017**

	<u>Year ended</u> <u>31 March, 2017</u> Rs. In lakhs	<u>Year ended</u> <u>31 March, 2016</u> Rs. In lakhs
<b>16. Other income</b>		
a. Interest Income :		
i. on fixed deposit from bank	303.03	77.83
ii. on income tax refund	1.70	1.96
b. Unclaimed balances written back	6.15	-
c. Sale of scrap	-	11.43
	<u><b>310.88</b></u>	<u><b>91.22</b></u>
<b>17. Employee benefits expense</b>		
a. Salaries and Waqes	27.22	31.25
	<u><b>27.22</b></u>	<u><b>31.25</b></u>
<b>18. Finance costs</b>		
a. Interest expenses:		
i. on term loans	880.00	219.40
ii. on debentures	-	5.59
iii. on delayed payment of statutory dues	67.91	24.64
b. Other borrowing costs	322.93	21.39
	<u><b>1,270.84</b></u>	<u><b>271.02</b></u>
<b>19. Other expenses</b>		
a. Insurance	0.17	0.27
b. Rates and taxes	1.37	1.76
c. Bank charges	0.48	2.70
d. Printing and stationery	0.02	0.02
e. Advertisement and business promotion	0.74	2.47
f. Legal and professional charges	12.62	129.87
g. Payment to auditors	2.00	4.50
h. Miscellaneous expenses	0.98	0.29
	<u><b>18.38</b></u>	<u><b>141.88</b></u>
<b>Payment to auditors</b>		
i. Statutory Audit fee	<u>2.00</u>	<u>4.50</u>

Payment to auditors  
i. Statutory Audit fee



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**Parsvnath Rail Land Project Private Limited**  
**Notes to the financial statements for the year ended 31 March, 2017**

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

21. 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 vide letter dated 3 August, 2012, 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 3 : "other non current financial assets"

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.

22. 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 debenture holders. 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, 2016 to 31 March, 2017. 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.

**23. Deferred Tax assets**

The Company has carried out its tax computation in accordance with mandatory Ind AS -12. 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.

**24. Employee benefit plan**

The Company offers its employees defined benefit plan in the form of a gratuity scheme. Benefits under gratuity scheme are based on year's of service and employee remuneration. The scheme provides for lump sum payment to vested employees at retirement, death while on employment, resignation or on termination of employment.

Amount is equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months. Vesting occurs upon completion of 5 years of continuous service.

The following table sets out the amount recognised in respect of gratuity in the financial statements:

	As at 31 March, 2017 Rs. in lakhs	As at 31 March, 2016 Rs. in lakhs	As at 1 April, 2015 Rs. in lakhs
Liability at the beginning of the year	1.57	-	-
Current service cost	0.78	1.57	-
Paid during the year	0.77	-	-
Liability at the end of the year	1.58	1.57	-
Expensed recognised in the Statement of Profit and Loss	0.78	1.57	-

**25. Segment reporting**

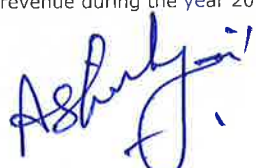


The Company is engaged in the business of 'Real Estate'. For management purposes, there is single reportable segment.

Accordingly disclosure required by Ind AS 108 'Operating Segment' have not been provided in the financial statements.

The Company operates in single geographical area of India. Accordingly, geographical information has not been reported

There is no single customer contributed 10% or more to the Company's revenue during the year 2016-17 and 2015-16.



**Parsvnath Rail Land Project Private Limited**  
**Notes to the financial statements for the year ended 31 March, 2017**

**26. Earnings per share**

	<u>Year ended</u> <u>31 March, 2017</u>	<u>Year ended</u> <u>31 March, 2016</u>
i. Net loss for calculation of basic and Rs. in lakhs earnings per share	(1,005.56)	(352.93)
ii. Weighted average number of equity Numbers outstanding during the year	1,41,011	1,41,011
iii. Basic and diluted earnings per shar Rs.	(713.11)	(250.29)
iv. Nominal value of equity shares . Rs.	10.00	10.00

**27. Disclosure of Specified Bank Notes (SBN)**

Details of 'Specified Bank Notes' (SBN) held and transacted during the period from 8 November, 2016 to 30 December,

Particulars	SBNs	Other denomination notes	Total
	Rs.in lakhs	Rs.in lakhs	Rs.in lakhs
Closing Cash in hand as on 8 November, 2016		0.06	0.06
(+) Amount withdrawn from bank	-	0.30	0.30
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	0.09	0.09
(-) Amount deposited in bank	-	-	-
Closing Cash in hand as on 30 December, 2016	-	0.27	0.27

**Note:**

For the purposes of this note, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8 November, 2016.

**28. Reconciliation of equity and net profit under previous GAAP and Ind AS**

Reconciliation of net profit /(loss) under previously applicable Generally Accepted Accounting Principles

Particulars	Year ended 31.03.2016
	(Rs.in lakhs)
Net profit for the year under previous GAAP	(352.93)
Adjustments	-
Net profit for the year under Ind AS	(352.93)

Reconciliation of equity under Ind AS with equity reported under previous GAAP is as under:

Particulars	As at 31.03.2016
	(Rs.in lakhs)
Equity as per previous GAAP	3,896.64
Ind AS Adjustments	-
Equity as per Ind AS	3,896.64



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**Parsvnath Rail Land Project Private Limited**  
**Notes to the financial statements for the year ended 31 March, 2017**

**29. 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)  
- Parsvnath Landmark Developers P Ltd ( PLDPL)

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

	PDL ₹	PPDPL ₹	PHL ₹	PLDPL ₹
<b>(a) Transactions during the year</b>				
Interest on debentures	(563.53)	-	-	-
Assignment on acquisition of inventory and other assets	-	(1,126.28)	-	-
Short-term borrowings received	1,198.94 (106.40)	-	-	-
Short term borrowings repaid	2,916.80 (-)	-	-	-
Guarantees issued for loan	(5,500.00)	-	-	-
Security deposits received back	2,893.25 (-)	-	-	-
Transfer of balances	-	-	-	2.02
<b>(b) Balances at year-end</b>				
Optionally convertible debenture - Series B	3,220.19 (3,220.19) <i>3,220.19</i>	-	-	-
Interest accrued but not due on OCD's	712.90 (817.05) <i>817.05</i>	-	-	-
Short-term Advances	-	-	275.00 (275.00) <i>275.00</i>	2.02 (-)
Security deposit (assets)	(2,893.25) <i>2,893.25</i>	-	-	-
Short-term borrowings	(1,717.86) <i>1,611.46</i>	-	-	-
Payables	-	36,168.91 (36,168.91) <i>36,168.91</i>	-	-
Guarantees issued for loan	5,500.00 (5,500.00)	-	-	-

**Notes:**

- 1 Related party transactions entered during the year were in ordinary course of business and are on arm's length basis
- 2 Figures in brackets represent figures as at and for the year ended 31 March, 2016 and figures in italics represents balances as at 1 April, 2015.

**Terms and conditions of transactions with related parties**

All related party transactions entered during the year were in ordinary course of business and are on arm's length basis. For the year ended 31 March, 2017, the Company has not recorded any impairment of receivables from related parties (31 March, 2016 - Nil; 1 April, 2015 Nil). The Company makes this assessment each financial year through examination of the financial position of the related party and the market condition in which the related party

**30. Corporate social responsibility**

In terms of provisions of section 135 of the Companies Act, 2013, the Company was not required to spend any amount on activities relating to Corporate Social Responsibilities (CSR).



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**Parsvnath Rail Land Project Private Limited**  
**Notes to the financial statements for the year ended 31 March, 2017**

**31 Financial Instruments**

The carrying amounts and fair values of financial instruments by categories is as follows:

	As at		As at		As at		As at	
	Total	Amortised Cost	At cost	FVTPL	Total	Amortised Cost	At cost	FVTPL
<b>Financial assets</b>								
ii. Cash and cash equivalents	22.10	22.10	-	-	20.54	20.54	-	4.12
iii. Other financial assets	1,29,472.18	1,29,472.18	-	-	1,32,365.43	1,32,365.43	-	2,893.25
<b>Total financial assets</b>	<b>1,29,494.28</b>	<b>1,29,494.28</b>	<b>-</b>	<b>-</b>	<b>1,32,385.97</b>	<b>1,32,385.97</b>	<b>-</b>	<b>2,897.37</b>
<b>Financial liabilities</b>								
i. Borrowings	91,709.19	91,709.19	-	-	93,427.05	93,427.05	-	92,891.65
ii. Trade Payables	24.73	24.73	-	-	135.29	135.29	-	69.19
iii. Other financial liabilities	39,021.83	39,021.83	-	-	39,205.47	39,205.47	-	38,753.03
<b>Total financial liabilities</b>	<b>1,30,755.75</b>	<b>1,30,755.75</b>	<b>-</b>	<b>-</b>	<b>1,32,767.81</b>	<b>1,32,767.81</b>	<b>-</b>	<b>1,31,713.87</b>

The Company has disclosed financial instruments such as trade receivables, other financial assets, trade payables, borrowings and other financial liabilities at carrying value because their carrying amounts are reasonable approximation of the fair values.



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**32. Financial Risk Management**

The Company's business operations are exposed to various financial risks such as liquidity risk, market risks, credit risk, interest rate risk, funding risk etc. The Company's financial liabilities mainly includes borrowings taken for the purpose of financing company's operations. Financial assets mainly includes trade receivables, investment in subsidiaries/joint venture/associates and loans to its subsidiaries.

The Company has a system based approach to financial risk management. The Company has internally instituted an integrated financial risk management framework comprising identification of financial risks and creation of risk management structure. The financial risks are identified, measured and managed in accordance with the Company's policies on risk management. Key financial risks and mitigation plans are reviewed by the board of directors of the Company.

**Liquidity Risk**

Liquidity risk is the risk that the Company may face to meet its obligations for financial liabilities. The objective of liquidity risk management is that the Company has sufficient funds to meet its liabilities when due. The Company is under stressed conditions, which has resulted in delays in meeting its liabilities. The Company, regularly monitors the cash outflow projections and arrange funds to meet its liabilities.

The following table summarises the maturity analysis of the Company's financial liabilities based on contractual undiscounted cash outflows:

	<b>Rs. in lacs</b>			
	<b>Carrying amount</b>	<b>Payable within 1 year</b>	<b>Payable in 1-3 years</b>	<b>Payable more than 3 years</b>
<b>As at 31 March, 2017</b>				
Borrowings	91,709.19	5,500.00	-	86,209.19
Trade payables	24.73	24.73	-	-
Other financial liabilities	39,021.83	39,021.83	-	-
	<b>1,30,755.75</b>	<b>44,546.56</b>	<b>-</b>	<b>86,209.19</b>
<b>As at 31 March, 2016</b>				
Borrowings	93,427.05	7,217.86	-	86,209.19
Trade payables	135.29	135.29	-	-
Other financial liabilities	39,205.47	39,205.47	-	-
	<b>1,32,767.81</b>	<b>46,558.62</b>	<b>-</b>	<b>86,209.19</b>
<b>As at 01 April, 2015</b>				
Borrowings	92,891.65	6,682.46	-	86,209.19
Trade payables	69.19	69.19	-	-
Other financial liabilities	38,753.03	38,753.03	-	-
	<b>1,31,713.87</b>	<b>45,504.68</b>	<b>-</b>	<b>86,209.19</b>

**Market risk**

Market risk is the risk that future cash flows will fluctuate due to changes in market prices i.e. interest rate risk and price risk.

**A. Interest rate risk**

Interest rate risk is the risk that the future cash flows will fluctuate due to changes in market interest rates. The Company is mainly exposed to the interest rate risk due to its borrowings. The Company manages its interest rate risk by having balanced portfolio of fixed and variable rate borrowings. The Company does not enter into any interest rate swaps.

**Interest rate sensitivity analysis**

The exposure of the company's borrowing to interest rate change at the end of the reporting periods are as follows :

	<b>As at 31 March, 2017</b>	<b>As at 31 March, 2016</b>	<b>As at 1 April, 2015</b>
	<b>Rs. in lacs</b>	<b>Rs. in lacs</b>	<b>Rs. in lacs</b>
<b>Variable rate borrowings</b>			
Long Term	-	-	-
Short Term	-	-	-



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**Parsvnath Rail Land Project Private Limited**  
**Notes to the financial statements for the year ended 31 March, 2017**

**Total Variable rate Borrowing**

**Fixed Rate Borrowings**

Long Term	86,209.19	86,209.19	86,209.19
Short Term	5,500.00	7,217.86	6,682.46

**Total Fixed rate Borrowing**

<u>91,709.19</u>	<u>93,427.05</u>	<u>92,891.65</u>
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**Total Borrowing**

<u>91,709.19</u>	<u>93,427.05</u>	<u>92,891.65</u>
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**Sensitivity**

Since the Company does not have any variable rate borrowings, there is no impact on profit and loss before tax due to change in interest rate.

**B. Price risk**

The Company has very limited exposure to price sensitive securities, hence price risk is not material.

**Credit Risk**

Credit risk is the risk that customer or counter-party will not meet its obligation under the contract, leading to financial loss. The Company has no trade receivables, hence the credit risk is not material.

**33. Capital Management**

For the purpose of capital management, capital includes equity capital, share premium and retained earnings. The

The debt-equity ratio at the end of the reporting period is as follows:

	<b>As at 31 March, 2017</b>	<b>As at 31 March, 2016</b>	<b>As at 1 April, 2015</b>
	<b>Rs. in lacs</b>	<b>Rs. in lacs</b>	<b>Rs. in lacs</b>
<b>Borrowings:</b>			
- Long term	86,209.19	86,209.19	86,209.19
- Short term	5,500.00	7,217.86	6,682.46
- Current maturities of long term borrowings	-	-	-
<b>Total borrowings - A</b>	<b><u>91,709.19</u></b>	<b><u>93,427.05</u></b>	<b><u>92,891.65</u></b>
<b>Equity</b>			
- Share capital	14.10	14.10	14.10
- Other equity	2,848.69	3,854.24	4,207.17
<b>Total Equity - B</b>	<b><u>2,862.79</u></b>	<b><u>3,868.34</u></b>	<b><u>4,221.27</u></b>
Debt to equity ratio (A/B)	32.03	24.15	22.01

**34. First time Ind AS reconciliation**

There is no impact on balance sheet and Statement of Profit and Loss due to adoption of Ind AS

**35. Events after the reporting period**

There are no event observed after the reported period which have an impact on the Company's operation.

**36. Approval of the financial statements**

The financial statements were approved for issue by Board of Directors on 25 May, 2017.



For and on behalf of the Board of Directors

*Vivek Garg*  
**Vivek Garg**  
 Director  
 DIN: 01832495

*Ashish Jain*  
**Ashish Jain**  
 Director  
 DIN: 06814151

*Vipul Kumar Goel*  
**Vipul Kumar Goel**  
 Company Secretary

Place: Delhi  
 Date: 25 May, 2017