

Parsvnath Rail Land Project Private Limited
Balance Sheet as at 31 March, 2018

	Notes	As at 31-March-18 Rs. In lakhs	As at 31-March-17 Rs. In lakhs
Assets			
1. Non-current assets			
a. Financial assets			
i. Other financial assets	3	1,29,472.18	1,29,472.18
b. Tax assets	5	91.72	66.96
c. Other non-current assets	6	4,222.79	4,292.52
Total non-current assets		<u>1,33,786.69</u>	<u>1,33,831.66</u>
2. Current assets			
a. Financial assets			
i. Cash and cash equivalents	4	0.72	22.10
ii. Other financial assets	3	1,106.69	-
b. Other current assets	6	20.83	311.86
Total current assets		<u>1,128.24</u>	<u>333.96</u>
Total assets		<u>1,34,914.93</u>	<u>1,34,165.62</u>
Equity and Liabilities			
1. Equity			
a. Equity share capital	7	14.10	14.10
b. Convertible preference share capital	8	28.30	28.30
c. Other equity	9	1,800.50	2,848.69
Total Equity		<u>1,842.90</u>	<u>2,891.09</u>
2. Liabilities			
Non-current liabilities			
a. Financial liabilities			
i. Borrowings	10	86,209.19	86,209.19
Total non-current liabilities		<u>86,209.19</u>	<u>86,209.19</u>
Current liabilities			
a. Financial liabilities			
i. Borrowings	10	7,500.00	5,500.00
ii. Trade Payables	11	91.30	24.73
iii. Other financial liabilities	12	38,549.22	39,021.83
b. Other current liabilities	13	719.65	516.86
c. Provisions	14	2.67	1.93
Total current liabilities		<u>46,862.84</u>	<u>45,065.35</u>
Total liabilities		<u>1,33,072.03</u>	<u>1,31,274.53</u>
Total equity and liabilities		<u>1,34,914.93</u>	<u>1,34,165.62</u>

See accompanying notes to the financial statements

1-32

For and on behalf of the Board of Directors

In terms of our report attached

For S. N. Dhawan & Co. LLP

Chartered Accountants

Firm's Registration No. 000050N/N500045



Vinesh Jain

Partner

Membership No. 087701


Vivek Garg
Director
DIN: 01832495


Atul Jain
Director
DIN -00102555


Vipul Kumar Goel
Company Secretary

Place: Delhi
Date: 28 May, 2018

Place: Delhi
Date: 28 May, 2018

Parsvnath Rail Land Project Private Limited
Statement of Profit and Loss account for the year ended 31 March, 2018

	Notes	Year ended	Year ended
		31 March, 2018	31 March, 2017
		Rs. In lakhs	Rs. In lakhs
I Other income	15	247.60	310.88
II Total income		247.60	310.88
III Expenses			
a. Employee benefits expense	16	17.54	27.22
b. Finance costs	17	1,207.36	1,270.84
c. Other expenses	18	70.89	18.38
Total expenses (III)		1,295.79	1,316.44
IV Profit/(loss) before tax (II-III)		(1,048.19)	(1,005.56)
V Tax expense/(benefit);		-	-
VI Profit/(loss) for the year (IV - V)		(1,048.19)	(1,005.56)
VII Other comprehensive income		-	-
VIII Total comprehensive income for the year (VI+VII)		(1,048.19)	(1,005.56)
IX Earnings per equity share (face value Rs. 10 per share)	25		
(1) Basic (in ₹)		(743.34)	(713.11)
(2) Diluted (in ₹)		(743.34)	(713.11)

See accompanying notes to the financial statements

1-32

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


Vinesh Jain
Partner
Membership No. 087701

Place: Delhi
Date: 28 May, 2018

For and on behalf of the Board of Directors


Vivek Garg
Director
DIN: 01832495


Atul Jain
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Vipul Kumar Goel
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Place: Delhi
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Parsvnath Rail Land Project Private Limited
Statement of Changes in Equity for the year ended 31 March, 2018

a Equity Share Capital

Particulars	Rs. In lakhs
Balance as at 31 March, 2016	14.10
Changes in equity share capital during the year	-
Balance as at 31 March, 2017	14.10
Changes in equity share capital during the year	-
Balance as at 31 March, 2018	14.10

b Preference share capital

Particulars	Rs. In lakhs
Balance as at 31 March, 2016	28.30
Changes in preference share capital during the year	-
Balance as at 31 March, 2017	28.30
Changes in preference share capital during the year	-
Balance as at 31 March, 2018	28.30

c Other Equity

Particulars	Reserves and Surplus		
	Securities premium reserve	Retained earnings	Total
	Rs. In lakhs	Rs. In lakhs	Rs. In lakhs
Balance as at 31 March, 2016	4,264.05	(409.80)	3,854.25
Profit for the year	-	(1,005.56)	
Balance as at 31 March, 2017	4,264.05	(1,415.36)	2,848.69
Profit for the year	-	(1,048.19)	(1,048.19)
Other comprehensive income for the year	-	-	-
Balance as at 31 March, 2018	4,264.05	(2,463.55)	1,800.50

See accompanying notes to the financial statements

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

Vinesh Jain
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Partner
Membership No. 087701

Place: Delhi
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Vipul Kumar Goel
Company Secretary

Place: Delhi
Date: 28 May, 2018

Parsvnath Rail Land Project Private Limited
Statement of Cash Flows for the year ended 31 March, 2018

Notes	Year ended 31 March, 2018 Rs. In lakhs	Year ended 31 March, 2017 Rs. In lakhs
Cash flows from operating activities		
Profit/(loss) for the year	(1,048.19)	(1,005.56)
Adjustments for :		
Finance costs recognised in profit or loss	1,207.36	1,270.84
Interest income recognised in profit or loss	(247.60)	(304.73)
	(88.43)	(39.45)
Movements in working capital:		
(Increase)/decrease in other non current financial assets	-	2,893.25
(Increase)/decrease in other current financial assets	(1,106.69)	-
(Increase)/decrease in other current assets	291.03	(20.03)
Increase/(decrease) in trade payables	66.57	(110.56)
Increase/(decrease) in provisions	0.74	(0.07)
Increase/(decrease) in other financial liabilities	(244.30)	244.30
Increase/(decrease) in other current liabilities	202.79	118.17
Cash generated from operations	(878.29)	3,085.60
Income tax paid (net)	(24.75)	3.76
Net cash (used in)/generated by operating activities	(903.04)	3,089.36
Cash flows from investing activities		
Decrease/(increase) in deposits under lien not considered as cash and cash equivalents	109.12	31.81
Interest received	208.21	297.02
Net Cash (used in) /generated by investing activities	317.33	328.83
Cash flows from financing activities		
Interest paid	(1,435.67)	(1,698.77)
Proceeds from borrowings	2,000.00	-
Repayment of borrowings	-	(1,717.86)
Net Cash (used in)/generated by financing activities	564.33	(3,416.63)
Net increase in Cash and cash equivalents	(21.38)	1.56
Cash and cash equivalents at the beginning of the year	22.10	20.54
Cash and cash equivalents at the end of the year	4 0.72	22.10

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

In terms of our report attached

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Vinesh Jain
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For and on behalf of the Board of Directors


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Atul Jain
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Place: Delhi
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Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2018

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'). The date of transition to Ind AS is 1 April, 2015.

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 realisable 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 equity shares which could have been issued on the conversion of all dilutive potential equity shares.



Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2018

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.



Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2018

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.

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.

Recent accounting pronouncements

a. Standard issued but not yet effective:

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 on 28 March, 2018. As per these rules, Ind AS 115 "Revenue from Contracts with customers" supersedes Ind AS 11 "Construction contracts" and Ind AS 18 "Revenue". Ind AS 115 shall be applicable to the Company for accounting period commencing on or after 1 April, 2018. This standard will not have any impact on the Company's financial statements.

b. Amendments to Existing standards:

The MCA has also carried amendments to the following existing Ind AS

- i. Ind AS 40 – Investment property
- ii. Ind AS 12 – Income Taxes
- iii. Ind AS 28 – Investments in associates and joint ventures
- iv. Ind AS 112 – Disclosure of interest in other entities

These amendments will be effective for accounting period commencing on or after 1 April, 2018. These amendments are not expected to have any significant impact on the Company's financial statements.

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Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2018

	<u>As at</u> <u>31-March-18</u> <u>Rs. In lakhs</u>	<u>As at</u> <u>31-March-17</u> <u>Rs. In lakhs</u>
3 . Other financial assets		
Non-Current		
a. Claim with RLDA on deemed cancellation of project (see note 20)	1,29,472.18	1,29,472.18
	<u>1,29,472.18</u>	<u>1,29,472.18</u>
Current		
a. Security deposits to related party	1,100.00	-
b. Advances to related parties	6.69	-
	<u>1,106.69</u>	<u>-</u>
4 . Cash and cash equivalents		
a. Balances with banks in current account	0.72	22.10
b. Cash on hand	0.00	-
	<u>0.72</u>	<u>22.10</u>
5. Tax assets (net)		
a. Tax refund receivable	91.72	66.96
	<u>91.72</u>	<u>66.96</u>
6. Other assets		
Non-Current		
a. Deposits with bank held as margin money	4,175.69	4,284.81
b. Interest accrued on deposits	47.10	7.71
	<u>4,222.79</u>	<u>4,292.52</u>
Current		
a. Advances to related parties	-	277.02
b. Prepaid expenses	20.53	34.54
c. Advances to suppliers	0.30	0.30
	<u>20.83</u>	<u>311.86</u>

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Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2018

7. Equity Share Capital

	<u>As at</u> <u>31-March-18</u> Rs. in lakhs	<u>As at</u> <u>31-March-17</u> Rs. in lakhs
Authorised Share Capital		
2,90,50,000 fully paid equity shares of Rs. 10 each (as at 31 March, 2017: 2,90,50,000;)	2,905.00	2,905.00
Issued, subscribed and fully paid share capital		
1,41,011 fully paid equity shares of Rs 10 each (as at 31 March, 2017: 1,41,011)	14.10	14.10
	14.10	14.10

7.1- Reconciliation of share capital

	<u>Number of</u> <u>Shares</u>	<u>Share</u> <u>Capital</u> Rs. In lakhs
Balance as at 31 March, 2016	1,41,011	14.10
Movements during the year	-	-
Balance as at 31 March, 2017	1,41,011	14.10
Movements during the year	-	-
Balance as at 31 March, 2018	1,41,011	14.10

7.2 - 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.

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

	<u>As at</u> <u>31-March-18</u> No. of shares	<u>As at</u> <u>31-March-17</u> No. of shares
Holding company		
Parsvnath Developers Limited	1,20,000	1,20,000

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

	<u>As at March 31, 2018</u>		<u>As at March 31, 2017</u>	
	<u>Number of</u> <u>shares held</u>	<u>% holding</u>	<u>Number of</u> <u>shares held</u>	<u>% holding</u>
Fully paid equity shares				
Parsvnath Developers Limited	1,20,000	85%	1,20,000	85%
Tango Investment Holdings Ltd.	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, 2018

8. Convertible preference share capital

	As at 31-March-18 Rs.in lakhs	As at 31-March-17 Rs.in lakhs
Authorised share capital		
3,00,000 Class A -Cumulative convertible preference share of Rs. 10 each (as at 31 March, 2017: 300,000 shares)	30.00	30.00
Issued and subscribed capital		
282,974 Class A -Cumulative convertible preference share of Rs. 10 each (as at 31 March, 2017: 282,974 shares)	28.30	28.30
	28.30	28.30

8.1- Reconciliation of share capital

	Number of shares	Share Capital Rs. In lakhs
Balance as at 31 March, 2016	2,82,974	28.30
Movements during the year	-	-
Balance as at 31 March, 2017	2,82,974	28.30
Movements during the year	-	-
Balance as at 31 March, 2018	2,82,974	28.30

8.2 - 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.

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

	As at 31-March-18		As at 31-March-17	
	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%

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Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2018

	<u>As at</u> <u>31-March-18</u> <u>Rs. In lakhs</u>	<u>As at</u> <u>31-March-17</u> <u>Rs. In lakhs</u>
9. Other equity		
a. Securities premium reserve	4,264.05	4,264.05
b. Retained earnings	<u>(2,463.55)</u>	<u>(1,415.36)</u>
	<u>1,800.50</u>	<u>2,848.69</u>
a. Securities premium reserve		
Balance at the beginning of the year	4,264.05	4,264.05
Movements	-	-
Balance at the end of the year	<u>4,264.05</u>	<u>4,264.05</u>
b. Retained earnings		
Balance at the beginning of the year	(1,415.36)	(409.81)
Profit/(Loss) for the year	<u>(1,048.19)</u>	<u>(1,005.56)</u>
Balance at the end of the year	<u>(2,463.55)</u>	<u>(1,415.36)</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,2018

	As at 31-March-18 Rs. In lakhs	As at 31-March-17 Rs. In lakhs
10. Borrowings		
Non current		
Unsecured - at amortised cost		
a. 0.1% Optionally convertible debentures Series X of Rs. 1 lakh each (31 March,2018: 6,550; 31 March 2017: 6,550; optionally convertible debentures of Rs 1 lakh each)	6,550.00	6,550.00
b. 0.1% Optionally convertible debentures Series Y of Rs. 1 lakh each (31 March,2018: 16,000; 31 March 2017:16,000; optionally convertible debentures of Rs 1 lakh each)	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, 2018: 3,09,634; 31 March 2017:3,09,634; optionally convertible debentures of Rs 1,040 each)	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>		
Secured - at amortised cost		
a. 15% Redeemable non convertible debentures Series A of Rs. 1 lakh each (31 March,2018: 360; 31 March 2017: 360; redeemable non convertible debentures of Rs 1 lakh each)	36,000.00	36,000.00
b. 15% Redeemable non convertible debentures Series B of Rs. 1 lakh each (31 March,2018: 24,439; 31 March 2017:24,439 debentures)	24,439.00	24,439.00
	86,209.19	86,209.19

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Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2018

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 mortgage.

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.

	As at 31-March-18 Rs. In lakhs	As at 31-March-17 Rs. In lakhs
Borrowings		
Current		
Secured - at amortised Cost		
a. Loans from other parties	7,500.00	5,500.00
	7,500.00	5,500.00
Security details	As at 31-March-18	As at 31-March-17

- a.
- i. Pledge of 51% of shareholding of the company held by the holding company with Non-Disposal Undertaking for balance shareholding by its shareholders
 - ii. First exclusive charge on the current assets & fixed assets (including hypothecation of all the book debts, operating cash flows, receivables, etc.) of the company
 - iii. First pari passu charge/assignment/mortgage of leasehold rights of the RLDA project, project contracts, rights, goodwill and other intangible assets; mortgage of immovable assets; hyp of movable assets including receivables of the company
 - iv. Corporate guarantee of holding company
 - v. Personal guarantee of Sh. Pradeep Kumar Jain
 - vi. Pledge of 16.79 mn shares of holding company on pari passu basis
 - vii. Mortgage & hypothecation of receivables (on pari passu basis) of the following properties
 1. Hotel plot situated in Jodhpur owned by PHL
 2. Rohtak township project
 3. Land situated in Indore owned by holding company
 4. City Centre Bhiwadi owned by holding company
 5. School land at Sonipat

7,500.00

Interest is payable monthly @ 16.00% plus IBR increase. Loan is repayable on 05 October, 2018.

- b. 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 guarantee of Mr. Pradeep Jain.

5,500.00

Interest is payable monthly @ 16.00% plus IBR increase.

Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2018

	As at 31-March-18 Rs. In lakhs	As at 31-March-17 Rs. In lakhs
11. Trade Payables		
Current		
Trade Payables	91.30	24.73
	<u>91.30</u>	<u>24.73</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.		
12. Other Financial Liabilities		
Current		
a. Interest accrued but not due on debenture	2,124.02	2,124.02
b. Interest accrued but not due on borrowings	81.62	484.50
c. Interest accrued and due on borrowings	174.57	-
d. Security deposit received	0.10	0.10
e. Payables on assignment	36,168.91	36,168.91
f. Book overdrafts	-	244.30
	<u>38,549.22</u>	<u>39,021.83</u>
13. Other liabilities		
Current		
a. Statutory liabilities	719.65	516.86
	<u>719.65</u>	<u>516.86</u>
14. Provisions		
Current		
Employee benefits	2.67	1.93
	<u>2.67</u>	<u>1.93</u>

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Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2018

	<u>Year ended</u> <u>31 March, 2018</u> Rs. In lakhs	<u>Year ended</u> <u>31 March, 2017</u> Rs. In lakhs
15. Other income		
a. Interest Income :		
i. on fixed deposit from bank	247.60	303.03
ii. on income tax refund	-	1.70
b. Unclaimed balances written back	-	6.15
	<u>247.60</u>	<u>310.88</u>
16. Employee benefits expense		
a. Salaries and Waqes	17.54	27.22
	<u>17.54</u>	<u>27.22</u>
17. Finance costs		
a. Interest expenses:		
i. on term loans	1,005.33	880.00
ii. on delayed payment of statutory dues	107.32	67.91
b. Other borrowing costs	94.71	322.93
	<u>1,207.36</u>	<u>1,270.84</u>
18. Other expenses		
a. Insurance	0.07	0.17
b. Rates and taxes	54.24	1.37
c. Bank charges	0.54	0.48
d. Printing and stationery	0.02	0.02
e. Advertisement and business promotion	0.44	0.74
f. Legal and professional charges	12.14	12.62
g. Payment to auditors	2.45	2.00
h. Miscellaneous expenses	0.99	0.98
	<u>70.89</u>	<u>18.38</u>
Payment to auditors		
i. Statutory audit fee	2.00	2.00
ii. GST on above	0.36	-
iii. Out of pocket expenses	0.09	-
	<u>2.45</u>	<u>2.00</u>

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Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2018

19. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
20. 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 PRLPPL 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 by way of instituting two Arbitration proceedings namely Arbitration I & II. The Arbitral Tribunal has announced its award in respect of the Arbitration II dated 25th November, 2017 directing RLDA to refund the amount of Rs.10,34,53.78 lacs along with 4% interest per annum payable with effect from the 15th July, 2015 till the date of recovery.

RLDA preferred an appeal to the Hon'ble Delhi High Court, which upheld the decision of the Arbitral Tribunal vide its order dated 3 April, 2018.

The Arbitration proceeding in respect of Arbitration I is pending adjudication before the Arbitral Tribunal. The proceedings in the arbitration is with respect to RLDA's liability for payment of interest to the Company on installments received in advance pending delay in passing the necessary legislation for the execution of the Development agreement. The amount claimed is Rs. 41,946.79 lacs.

Advance amount paid to RLDA for allotment of project including amount spent on development of the said project as 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.

21. 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, 2017 to 31 March, 2018. 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.

22. 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.

23. 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.

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Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2018

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

	As at . 31 March, 2018	As at 31 March, 2017
	Rs. in lakhs	Rs. in lakhs
Liability at the beginning of the year	1.58	1.57
Current service cost	0.63	0.78
Paid during the year	-	0.77
Liability at the end of the year	2.21	1.58
Expensed recognised in the Statement of Profit and Loss	0.63	0.78

24. 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 2017-18 and 2016-17.

25. Earnings per share

		Year ended 31 March, 2018	Year ended 31 March, 2017
i.	Net loss for calculation of basic and diluted earnings per share	Rs. in lakhs (1,048.19)	(1,005.56)
ii.	Weighted average number of equity shares outstanding during the year	Numbers 1,41,011	1,41,011
iii.	Basic and diluted earnings per share	Rs. (743.34)	(713.11)
iv.	Nominal value of equity shares	Rs. 10.00	10.00

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Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2018

26. 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 ₹
(a) Transactions during the year				
Security deposit paid	1,100.00 (-)	-	-	-
Advances paid	106.11 (-)	0.18 (-)	-	-
Short-term borrowings received	566.13 (1,198.94)	-	-	-
Short term borrowings repaid	566.13 (2,916.80)	-	-	-
Guarantees issued for loan	-	-	-	-
Security deposits received back	(2,893.25)	-	-	-
Advances received back	99.60 (-)	-	275.00 (-)	2.02 (-)
Transfer of balances	-	-	-	-
Financial quarantees	2,000.00 (-)	-	-	-
(b) Balances at year-end				
Optionally convertible debenture - Series B	3,220.19 (3,220.19)	-	-	-
Interest accrued but not due on OCD's	712.90 (712.90)	-	-	-
Short-term Advances	6.51 (-)	0.18 (-)	(275.00)	(2.02)
Security deposit (assets)	1,100.00 (-)	-	-	-
Payables	-	36,168.91 (36,168.91)	-	-
Guarantees issued for loan	7,500.00 (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, 2017.

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, 2018, the Company has not recorded any impairment of receivables from related parties (31 March, 2017 - 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 operates.

27. 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, 2018

28 Financial Instruments

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

	Rs. in lakhs			
	As at 31-March-18		As at 31-March-17	
	Total	Amortised Cost	At cost	FVTPL
Financial assets				
ii. Cash and cash equivalents	0.72	0.72	-	-
iii. Other financial assets	1,30,578.87	1,30,578.87	-	-
	22.10	-	22.10	-
	1,29,472.18	-	1,29,472.18	-
Total financial assets	1,30,579.59	1,30,579.59	1,29,494.28	1,29,494.28
Financial liabilities				
i. Borrowings	93,709.19	93,709.19	-	-
ii. Trade Payables	91.30	91.30	-	-
iii. Other financial liabilities	38,549.22	38,549.22	-	-
	24.73	-	24.73	-
	39,021.83	-	39,021.83	-
Total financial liabilities	1,32,349.71	1,32,349.71	1,30,755.75	1,30,755.75

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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Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2018

29. 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 claim receivable from RLDA and deposit with related party.

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:

	Carrying amount	Payable within 1 year	Payable in 1-3 years	Rs. in lakhs Payable more than 3 years
As at 31 March, 2018				
Borrowings	93,709.19	7,500.00	-	86,209.19
Trade payables	91.30	91.30	-	-
Other financial liabilities	38,549.22	38,549.22	-	-
	1,32,349.71	46,140.52	-	86,209.19

As at 31 March, 2017

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	-	-
	1,30,755.75	44,546.56	-	86,209.19

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 :

	As at 31 March, 2018 Rs. in lakhs	As at 31 March, 2017 Rs. in lakhs
Variable rate borrowings		
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, 2018

Total Variable rate Borrowing

Fixed Rate Borrowings

Long Term	86,209.19	86,209.19
Short Term	7,500.00	5,500.00
Total Fixed rate Borrowing	93,709.19	91,709.19
Total Borrowing	93,709.19	91,709.19

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.

30. 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:

	As at 31 March, 2018	As at 31 March, 2017
	Rs. in lakhs	Rs. in lakhs
Borrowings:		
- Long term	86,209.19	86,209.19
- Short term	7,500.00	5,500.00
- Current maturities of long term borrowings	-	-
Total borrowings - A	93,709.19	91,709.19
Equity		
- Share capital	14.10	14.10
- Other equity	1,800.50	2,848.69
Total Equity - B	1,814.60	2,862.79
Debt to equity ratio (A/B)	51.64	32.03

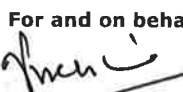
31. Events after the reporting period

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

32. Approval of the financial statements

The financial statements were approved for issue by Board of Directors on 28 May, 2018.

For and on behalf of the Board of Directors


Vivek Garg

Director
DIN: 01832495


Atul Jain

Director
DIN -00102555


Vipul Kumar Goel
Company Secretary

Place: Delhi
Date: 28 May, 2018