

BOARD'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 9th Annual Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2020.

1. FINANCIAL RESULTS

Item	(Rs. in lakhs)	
	FY 2019-20	FY 2018-19
Total Revenue	2215.01	267.24
Net Profit/(Loss) before Tax	(289.76)	(1317.84)
Exceptional Items	5225.86	-
Tax adjustments for earlier years	-	10.49
Net Profit/ (Loss) after Tax	(5515.62)	(1328.33)

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 2019-20, your Company has not transferred any amount to reserves.

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

Your Company was identified as the Special Purpose Vehicle (SPV) for the development of a residential project at Sarai Rohilla- Kishanganj, Delhi awarded by the Rail Land Development Authority (RLDA) to the Company's holding company Parsvnath Developers Ltd (PDL). The Development Agreement was executed with RLDA and PDL on 31st May, 2013. However, since the Company was unable to achieve the financial close within the agreed timelines, the Development Agreement (DA) entered with RLDA terminated. Disputes arose regarding the reason for the termination of the DA and various other matters. RLDA refused to return any amounts deposited by the Company towards the lease installments and interest etc. Your Company invoked the arbitration clause in the development agreement for recovery of amount paid to RLDA together with interest thereon and other related matters. In the first Arbitration (Arbitration I), your Company along with PDL claimed interest on installments demanded and received in advance by RLDA since the necessary legislation authorizing RLDA to lease Railway land and collect monies was passed only later. The Arbitral Tribunal by majority judgment dated May 31, 2018 rejected the Company's claim and directed the Company vide its Award dated June 1, 2018, to pay the cost incurred in the proceedings amounting to Rs. 97,00,142 (Rupees Ninety Seven Lakhs One Hundred Forty Two) to RLDA. However, the Company has appealed against the decision before the Delhi High Court and the Hon'ble Court's decision is awaited.



Parsvnath Rail Land Project Pvt. Ltd.

CIN: U45203DL2011PTC227343

Registered & Corporate Office : Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi-110032, Ph : 011-43050100, 43010500, Fax : 011-43050473

E-mail : secretarial@parsvnath.com, Visit us at : www.parsvnath.com

The Arbitral Tribunal announced its award in respect of the Arbitration II on 25th November, 2017 directing RLDA to refund the amount of Rs.103,453.78 lacs along with 4% interest per annum payable with effect from the 15th July,2015 till the date of recovery. After exhausting all legal remedies before the High Court and Supreme Court of Indian, RLDA finally paid the award amount during July, 2019.

In the abovementioned arbitration (Arbitration II), an amount of Rs. 132,12,08,000/- (Rupees One Hundred Thirty-Two Crores Twelve Lakhs Eight Thousand only) was deducted from the lease instalments of Rs. 1166,65,85,913 (Rupees One Thousand One Hundred Sixty-Six Crores Sixty-Five Lakhs Eight-Five Thousand Nine Hundred Thirteen only) paid by the Company in terms of certain terms and conditions of the Development Agreement. PDL and the Company initiated Arbitration proceedings ("Arbitration III") for refund of this amount and claim for losses. The proceedings are in progress on regular basis and were last held on 3rd September 2020. Your Company has also initiated arbitration proceedings seeking Redressal of losses incurred due to the delay in return of the Performance Bank Guarantee submitted by the Company with RLDA for the project.

Under the changed circumstances arising out of the surrender of the project and return of monies deposited with RLDA, your Company entered into a Master Settlement Agreement (MSA) on 29th July, 2019 with its investors, Parsvnath Promoters and Developers Pvt. Ltd. (PPDPL) and its investors and PDL under which a scheme of settlement including distribution of amounts available amongst the parties was agreed upon. An addendum to the MSA was executed on 24 October, 2019 making certain changes in the MSA. The Agreement also laid down the manner in which the amount received by the Company would be utilized.

On 29 July, 2019 the Company also executed an amendment agreement to Investment and Security Holders' Agreement (ISHA) to record inter alia the revised terms and conditions for distribution of the amounts available and make certain changes in the ISHA. Amendment/ addendum were also made to the Debenture Trust Deeds and Debenture Subscription Agreements for non-convertible debentures, debenture subscription agreement for optionally convertible debentures for series B, X and Y to record the revised terms and conditions.

During the year, your company acquired 153190 equity shares of PPDPL from PDL for a consideration of Rs. 5775.26 lacs. As per accounting requirements, an exceptional loss of Rs.5225.86 has been recognized on the investment for impairment in value.

During the year under review, your Company earned Interest income of Rs. 346.43 lakhs as against the Interest income of Rs. 267.24 lakhs in the previous year. The Company also earned a profit on redemption of debentures of Rs. 1813.34 Lakhs during the financial year 2019-20.

5. REVIEW OF OPERATIONS

During the year under review, your Company has earned other income of Rs. 2,215.01 Lakhs as compared to income of Rs. 267.24 Lakhs during the previous year. The loss after tax during the



Parsvnath Rail Land Project Pvt. Ltd.

CIN: U45203DL2011PTC227343

Registered & Corporate Office : Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi-110032, Ph : 011-43050100, 43010500, Fax : 011-43050473

E-mail : secretarial@parsvnath.com, Visit us at : www.parsvnath.com

year under review is Rs. 5,515.62 Lakhs which was higher than the loss after tax of Rs. 1,328.33 Lakhs in the previous year 2018-19.

6. DEBENTURES

360 Non-Convertible Debentures (NCDs) Series A issued by the Company and having face value of Rs. 1,00,00,000/- have been partially redeemed on 26th July, 2019 during the year under review. Face value after partial redemption is Rs. 1,00,000/- .

24,439 Non-Convertible Debentures (NCDs) Series B issued by the Company and having face value of Rs. 1,00,000/- have been partially redeemed on 26th July, 2019 and 24th October, 2019 during the year. Face value after partial redemption is Rs. 46,063.64/-.

3,09,634 Optionally Convertible Debentures (OCDs) Series B having face value of Rs. 1,040/- each held by Parsvnath Developers Ltd., 6,550 OCDs Series X having face value of Rs. 1,00,000/- each held by Three C Infra Pvt. Ltd. and 16,000 OCDs Series Y having face value Rs. 1,00,000/- each held by Solace Projects Pvt. Ltd. were redeemed in full during the year under review.

7. MATERIAL CHANGES AND COMMITMENTS IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

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

8. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

9. PUBLIC DEPOSITS

The Company has neither accepted nor renewed any public deposits under Sections 73, 74 and 76 of the Companies Act, 2013 during the year under review and there is no overdue deposit outstanding on the said date.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Raj Kumar Jain who was appointed as an Additional Director of the Company with effect from August 02, 2018, had resigned from the directorship of the Company with effect from May 28, 2019.

During the year under review, Mr. Arvind Kumar Mishra was appointed as an Additional Director of the Company with effect from May 29, 2019 to hold office up to the date of the 8th Annual General Meeting. Mr. Arvind Kumar Mishra was appointed as director in the Annual General Meeting of the Company held on 28th September, 2019.

Mr. Vipul Kumar Goel resigned from the post of Company Secretary of the Company w.e.f. May, 18, 2019.



Parsvnath Rail Land Project Pvt. Ltd.

CIN: U45203DL2011PTC227343

Registered & Corporate Office : Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi-110032, Ph : 011-43050100, 43010500, Fax : 011-43050473

E-mail : secretarial@parsvnath.com, Visit us at : www.parsvnath.com

Mr. Rahul Kumar Srivastav was appointed as director in the Annual General Meeting of the Company held on 28th September, 2019.

Pursuant to the applicable provisions of the Companies Act, 2013, Mr. Rahul Kumar Srivastav retires by rotation and being eligible, offers himself for re-appointment at the forthcoming Annual General Meeting of the Company.

The Board at present comprises of three non-executive directors- Mr. Atul Jain, Mr. Arvind Kumar Mishra and Mr. Rahul Kumar Srivastav.

The Company being a listed company is required to appoint a Chief Executive Officer/Managing Director/Whole Time Director/Manager, a Company Secretary and a Chief Financial Officer in terms of Section 203(1) of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, for which efforts are being made to identify suitable persons.

The Company being a listed company is required to appoint two 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 to comply with the statutory requirements.

11. 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

The Audit Committee and the Nomination and Remuneration Committee was re-constituted on 29th May, 2019 upon appointment of Mr. Arvind Kumar Mishra and cessation of Mr. Raj Kumar Jain from directorship of the Company.

The Audit Committee and the Nomination and Remuneration Committee presently comprises of three non-executive directors viz. Mr. Atul Jain, Mr. Arvind Kumar Mishra and Mr. Rahul Kumar Srivastav.

The Company shall re-constitute the Audit Committee and the Nomination and Remuneration Committee after the appointment of Independent Directors since the Companies Act, 2013 requires that Independent Directors should form a majority in the constitution of these committees.



Parsvnath Rail Land Project Pvt. Ltd.

CIN: U45203DL2011PTC227343

Registered & Corporate Office : Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi-110032, Ph : 011-43050100, 43010500, Fax : 011-43050473

E-mail : secretarial@parsvnath.com, Visit us at : www.parsvnath.com

12. NUMBER OF MEETINGS OF THE BOARD AND ITS COMMITTEES

Board Meeting

During the financial year 2019-20, the Board met Seven (7) times with adequate quorum on May 29, 2019, July 26, 2019, August 9, 2019, October 24, 2019, November 12, 2019, November 14, 2019 and February 13, 2020.

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. Arvind Kumar Mishra	6	6
2.	Mr. Atul Jain	7	7
3.	Mr. Rahul Kumar Srivastav	7	7

Audit Committee Meeting

During the financial year 2019-20, the Audit Committee of Board of Directors met five (5) times with adequate quorum on May 29, 2019, August 9, 2019, November 12, 2019, November 14, 2019 and February 13, 2020.

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. Arvind Kumar Mishra	4	4
2.	Mr. Atul Jain	5	5
3.	Mr. Rahul Kumar Srivastav	5	5

Nomination and Remuneration Committee Meeting

During the financial year 2019-20, the Nomination and Remuneration Committee of Board of Directors met once with adequate quorum on August 9, 2019.

The attendance at the Nomination and Remuneration Committee Meeting 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. Arvind Kumar Mishra	1	1
2.	Mr. Atul Jain	1	1
3.	Mr. Rahul Kumar Srivastav	1	1

13. BOARD EVALUATION

The Nomination and Remuneration Committee laid down the criteria for evaluating the performance of the Board, various Committees of the Board and of the individual Directors.

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Section 134 (3) (p) of the Companies Act, 2013 and the Rule 8(4) of the Companies (Accounts) Rules 2014.

The performance of the Board and the individual Directors was evaluated on the basis of criteria such as Board composition and structure, effectiveness of the Board process, information and functioning, contribution of the individual Directors to the Board and Committees meeting like preparedness on the issue to be discussed, meaningful and constructive contribution and inputs in meeting, etc.

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

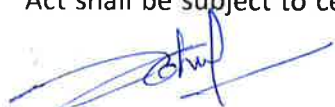
The Nomination and Remuneration policy adopted and followed by Parsvnath Developers Limited (holding company) is applicable to the Company. Salient features of the said policy are as follows:

a) Remuneration to Managing Director / Whole-time Directors:

The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Act and Rules made thereunder or any other enactment for the time being in force and the approvals obtained from the shareholders of the Company.

b) Remuneration to Non-Executive / Independent Directors:

- i. The Non-Executive/ Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of the Act. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- ii. All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Act shall be subject to ceiling/ limits as provided under the Act and rules made





there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

c) Remuneration to Key Managerial Personnel and Senior Management:

The remuneration to Key Managerial Personnel and Senior Management may consist of fixed pay and incentive pay, in compliance with the provisions of the Act and in accordance with the Company's Policy.

15. 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 for the year ended March 31, 2020, 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 year;
- (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 laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (e) the directors had not prepared the annual accounts on a going concern basis;

The Company has surrendered its project to RLDA and has received the award amount during the year. The Company has also partly redeemed its debentures out of award money received. The Company does not have any project in hand, therefore financials have been prepared on the basis that the Company does not continue to be a going concern.

- (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.



Parsvnath Rail Land Project Pvt. Ltd.

CIN: U45203DL2011PTC227343

Registered & Corporate Office : Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi-110032, Ph : 011-43050100, 43010500, Fax : 011-43050473

E-mail : secretarial@parsvnath.com, Visit us at : www.parsvnath.com

16. RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in ordinary course of business and on arm's length basis.

During the year under review, the Company had not entered into any contracts or arrangements with its Related Parties which could be considered material under Section 188 of the Companies Act, 2013.

In view of the above, the requirement of giving particulars of contracts/ arrangement made with related parties, in Form AOC-2 is not applicable for the year under review.

The related party transactions undertaken during the financial year 2018-19 are detailed in the Notes to Accounts of the Financial Statements.

17. AUDITORS

(a) Statutory Auditors

M/s. S.N. Dhawan & Co. LLP, 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 (AGM) 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. As per the amendment in the Companies Act, 2013 effective from May 7, 2018 ratification of the appointment is no longer required and hence, has not been included in the notice of the AGM.

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 31st March 2020.

(b) Secretarial Auditors and Secretarial Audit Report

The Company had appointed M/s Upender Jajoo and Associates, Company Secretaries, to conduct the Secretarial Audit of the Company for the financial year 2019-20. The Secretarial Audit report for the financial year ended March 31, 2020 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:



Parsvnath Rail Land Project Pvt. Ltd.

CIN: U45203DL2011PTC227343

Registered & Corporate Office : Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi-110032, Ph : 011-43050100, 43010500, Fax : 011-43050473

E-mail : secretarial@parsvnath.com, Visit us at : www.parsvnath.com

1. The Company is in the process of identifying suitable persons required to be appointed as Independent Directors and Woman Director on the Board of the Company in terms of Section 149 of the Companies Act, 2013. The Woman Director may or may not be an Independent Director.
2. An Audit Committee and a Nomination and Remuneration Committee of the Board of Directors of the Company will be constituted in compliance of the requirements of Sections 177 and 178 of the Companies Act, 2013 after the appointment of Independent Directors.
3. The Company is in the process of identifying suitable person/firm required to be appointed as Internal Auditor of the Company.
4. The Company is in the process of identifying suitable persons required to be appointed under section 203 of the Companies Act, 2013 for appointment of whole time Key Managerial Personnel.
5. 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.
6. Meeting of Independent Directors will be convened once they are appointed.

18. LISTING WITH STOCK EXCHANGE

During the year under review, the two series of Non-Convertible Debentures of the Company amounting to Rs. 3.60 Crores and Rs. 112.57 Crores respectively continued to be listed on BSE. The Company has paid the listing fee for the financial year 2019-20.

19. 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.

20. Particulars of Employees

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2019-20:

Not applicable as no remuneration was paid to any director.



Amish

- b) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year:
The Company had not paid any remuneration to any Director and it does not have any Chief Executive Officer/Managing Director/Whole-time Director or Chief Financial Officer during the year. Mr. Vipul Kumar Goel resigned from the post of Company Secretary of the Company w.e.f. May 18, 2019. Since then, there is no Company Secretary appointed in the Company.
- c) The percentage increase in the median remuneration of employees in the financial year:
Not Applicable as there is only one employee in the Company.
- d) The number of permanent employees on the rolls of Company as on March 31, 2020:
Nil.
- e) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
Not applicable as there is no managerial remuneration paid by the Company during 2019-20.
- f) Affirmation that the remuneration is as per the remuneration policy of the Company:
The Company affirms that remuneration is as per the remuneration policy of the Company.
- g) As per Section 197(12) of the Act read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 details of employees drawing a remuneration of more than Rs.102 lakhs per annum, if employed throughout the financial year and Rs. 8.5 lakhs per month, if employed for part of the financial year need to be set out as annexure to this Report. However, none of the employees come under the purview of this section and hence, the said provisions are not applicable.

Further, as per the notification of Ministry of Corporate Affairs (MCA) dated June 30, 2016 requiring the list of top ten employees, the required information about the only employee of the Company is furnished below:

Particulars of the Employee employed for part of financial year:



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, 2020	
									Number	%
1.	Mr. Vipul Kumar Goel (For Part of the year)	Company Secretary	LLB, FCS and FICWA	1,91,276	34	21.04.2013	60	Assotech Ltd.	-	

Notes:

1. The Company had no employee as on March 31, 2020. Mr. Vipul Kumar Goel has resigned from the post of Company Secretary of the Company w.e.f. May 18, 2019.
2. The nature of employment is contractual. Other terms and conditions of the employment are as per Company's policy.
3. The employee has adequate experience to discharge the responsibilities assigned to him and his designation is indicative of his nature of duties. **Not Applicable**
4. The employee is not a relative of any Director of the Company. **Not Applicable**

21. 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.

22. Extract of Annual Return

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

23. 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.

24. 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.



Parsvnath Rail Land Project Pvt. Ltd.

CIN: U45203DL2011PTC227343

Registered & Corporate Office : Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi-110032, Ph : 011-43050100, 43010500, Fax : 011-43050473

E-mail : secretarial@parsvnath.com, Visit us at : www.parsvnath.com

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.

25. CORPORATE SOCIAL RESPONSIBILITY

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

26. 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.

27. INTERNAL FINANCIAL CONTROLS AND SYSTEMS

There is an adequate internal controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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.

28. COMPLIANCE OF SECRETARIAL STANDARDS

The Board of Directors of the Company hereby states that, during the year under review, the Company has complied with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government.

29. 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.
4. There is no requirement for Constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder as the number of employees is less than ten. During the year under review, there were no cases filed/ reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
5. There was no change in the nature of business during the financial 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



Rahul Kumar Srivastava
Director

DIN: 08250331

Sarai Jujhar, Sultanpur,
Uttar Pradesh-222302



Arvind Kumar Mishra
Director

DIN: 08250280

L-429, Mangol Puri,
North West Delhi 110083

Place: Delhi
Date: 28.08.2020



**Upender Jajoo & Associates
Company Secretaries**

**Form MR 3
Secretarial Audit Report
(For the Financial Year ended on 31st March, 2020)**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

I 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 my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **The Company** for the financial year ended on 31st March 2020 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;



Page 1 of 5



Upendar Jajoo & Associates
Company Secretaries

- 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") to the extent applicable to the Company:-
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the Company during the Audit Period)**
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- 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 to the Company during the Audit Period)**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ;**(Not Applicable to the Company during the Audit Period)**
- 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 to the Company during the Audit Period)**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable to the Company during the Audit Period).**





I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs
- (ii) Securities and Exchange Board of India (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 observations:

1. The Company has not complied with the provisions of section 149 of the Companies Act 2013, relating to appointment of Independent Director and Woman Director.
2. The Company has not complied with the provisions of sections 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 138 of the companies act 2013, relating to appointment of Internal Auditor.*
4. The Company has not complied with the provisions of section 203 of the Companies act 2013 for the appointment of whole time Key Managerial Personnel.
5. The Company has not complied with the provisions of section 134 of the Companies act 2013, relating to Performance Evaluation Mechanism/Policy (Independent Director).
6. The Meeting of Independent Director was not convened during the period under review.

I further report that:

1. 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 Key managerial personnel that took place during the period under review were carried out in compliance with the provisions of the Act.





**Upender Jajoo & Associates
Company Secretaries**

2. Adequate notice are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. 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.
4. The Company has obtained all necessary approvals under the various provisions of the Act; and
5. There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

I further report that

Based on the information received and the records maintained, 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.

**For Upender Jajoo & Associates
Company Secretaries**

Upender Jajoo

FCS: 10155

C.P.: 14336

UDIN: F010155B000635989

Date: 28/08/2020

Place: New Delhi



Note: This report should be read with my letter of even date which is annexed as Annexure A and forms are integral part of this report.



Annexure-A to the Secretarial Audit Report

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

My Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the Company.
2. My responsibility is to express an opinion on these secretarial records based on my audit.
3. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
4. I have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. 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.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Upender Jajoo & Associates
Company Secretaries




Upender Jajoo
FCS: 10155
C.P.: 14336
UDIN: F010155B000635989
Date: 28/08/2020
Place: New Delhi

FORM NO. MGT-9**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on March 31, 2020

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	U45203DL2011PTC227343
ii)	Registration Date	11-11-2011
iii)	Name of the Company	Parsvnath Rail Land Project Private Limited
iv)	Category / Sub-Category of the Company	Private Company by its Articles/ Public Company being a subsidiary Public Company.
v)	Address of the Registered office and contact details	Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi - 110032. Telephone No. 011-43010500 Fax No. 011-43050473 Email Id- secretarial@parsvnath.com
vi)	Whether listed company (Yes/No)	Yes The Non-Convertible Debentures issued by the Company are listed with BSE, Equity shares and Preference shares are not listed.
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Link Intime India Pvt. Ltd. C-13 Pannalal Silk Mills Compound, LBS Marg, Bhandup West, Mumbai 400 078. Telephone No. 022-25963838 Fax No. 022-25946969 Email Id: accounts@linkintime.co.in

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)





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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters:									
(1) Indian									
a) Individual/HUF*	-	6	6	-	-	5	5	-	
b) Central Govt									
c) State Govt									
d) Bodies Corp.	1,19,994	-	1,19,994	85.10	1,19,994	1	1,19,995	85.10	-
e) Banks/FI									
f) Any Other									
Sub-total (A) (1):-	1,19,994	6	1,20,000	85.10	1,19,994	6	1,20,000	85.10	-
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any Other									
Sub-total (A) (2):-									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1,19,994	6	1,20,000	85.10	1,19,994	6	1,20,000	85.10	-
<i>*Equ</i>									
B. Public Shareholding									
1 Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (Specify)									
Sub-total (B) (1):-									
2 Non-Institutions									
a) Bodies Corp.									
Indian									
Overseas		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)									
Sub-total (B) (2):-		21,011	21,011	14.90		21,011	21,011	14.90	-
Total public shareholding (B) = (B)(1)+(B)(2)		21,011	21,011	14.90		21,011	21,011	14.90	-
C Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	1,19,994	21,017	1,41,011	100.00	1,19,994	21,017	1,41,011	100.00	-

[Handwritten Signature]



[Handwritten Signature]

(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	1,19,995	85.10	59.93	
2	Pradeep Kumar Jain (Nominee of PDL)	1			1			-
3	Nutan Jain (Nominee of PDL)	1			0			-
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			0			-
8	Praveen Jain (Nominee of PDL)	-			1			-
	Total	1,20,000	85.10	59.93	1,20,000	85.10	59.93	-

(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
1	Ms. Nutan Jain (Nominee of PDL)				
	At the beginning of the year	1	-	1	-
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/bonus/transfer/sweat equity etc.)	Decrease: equity share was transferred to Mr. Praveen jain (nominee of PDL) on 13.02.2020	-	-	-
	At the end of the year	0	-	0	-
2	Ms. Neelam Jain (Nominee of PDL)				
	At the beginning of the year	1	-	1	-
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/bonus/transfer/sweat equity etc.)	Decrease: equity share was transferred to PDL on 13.02.2020	-	-	-
	At the end of the year	0	-	0	-
3	Mr. Praveen Jain (Nominee of PDL)				
	At the beginning of the year	0	-	0	-
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/bonus/transfer/sweat equity etc.)	Increase equity share was transferred from Ms. Nutan Jain on 13.02.2020	-	-	-
	At the end of the year	1	-	1	-
4	Parsvnath Developers Ltd.	119994	85.10	119994	85.10
	At the beginning of the year	0	-	0	-



Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/bonus/transfer/sweat equity etc.)	Increase equity share was transferred from Ms. Neelam Jain (nominee of PDL) on 13.02.2020	-	-	-
At the end of the year	1,19,995	85.10	1,19,995	85.10

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

Sl. No.	Shareholding at the beginning of the year	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company
For each of the Top 10 Shareholders			
Tango Investment Holdings Ltd.			
At the beginning of the year			
Equity Shares	21,011	4.96	21,011
Compulsorily Convertible Preference Shares	2,82,974	66.74	2,82,974
Total	3,03,985	71.7	3,03,985
Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/bonus/transfer/sweat equity etc.)	-	-	-
At the end of the year (or date of sepeation, if seperated during the year)			
Equity Shares	21,011	4.96	21,011
Compulsorily Convertible Preference Shares	2,82,974	66.74	2,82,974
Total	3,03,985	71.7	3,03,985

(v) 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
For each of the Directors and KMP			
At the beginning of the year	-	-	-
Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/bonus/transfer/sweat equity etc.)	-	-	-
At the end of the year	-	-	-

[Handwritten Signature]



[Handwritten Signature]

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

	Secured Loans excluding deposits (Rs.)	Unsecured Loans (Rs.)	Deposits (Rs.)	Total Indebtedness (Rs.)
Indebtedness at the beginning of the financial year				
i) Principal Amount	6,79,39,00,000	2,57,70,19,000	-	9,37,09,19,360
ii) Interest due but not paid	8,70,94,000	-	-	8,70,94,000
iii) Interest accrued but not due	13,58,14,000	7,65,88,000	-	21,24,02,000
Total (i+ii+iii)	7,01,68,08,000	2,65,36,07,000	-	9,67,04,15,360
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	5,85,50,59,000	2,65,36,07,000	-	8,50,86,66,000
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	1,16,17,49,000	-	-	1,16,17,49,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,16,17,49,000	-	-	1,16,17,49,000



Anish

VII. Remuneration of Directors and Key Managerial Personnel Personnel

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

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



B. Remuneration to other directors:

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

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

Sl. No	Particulars of Remuneration	Key Managerial Personnel			Total Amount (Rs.)
		CEO	CFO	Company Secretary Mr. Vipul Kumar Goel	
1	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961			1,76,143	1,76,143
	(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	Not Applicable	Not Applicable	-	-
3	Sweat Equity			-	-
4	Commission - as % of profit - others, specify			-	-
5	Others, please specify			-	-
	Bonus			10089	10089
	Medical			5044	5044
	Total			1,91,276	1,91,276
	Ceiling as per the Act				



VIII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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

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



Rahul Kumar
Srivastav
Director
DIN: 08250331
Add: Sarai Jujhar,
Sultanpur, Uttar
Pradesh-222302




Arvind Kumar
Mishra
Director
DIN: 08250280
Add: L-429, Mangol
Puri, North West
Delhi 110083

Date: 28.08.2020
Place: Delhi

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PARSVNATH RAIL LAND PROJECT PRIVATE LIMITED

Report on the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of **Parsvnath Rail Land Project Private Limited** ("the Company"), which comprise the balance sheet as at 31 March 2020, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and its loss, total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS financial statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters paragraph

1. We draw attention to note 23 to the Ind AS financial statements wherein it is stated that these financial statements have been prepared on the basis that the Company does not continue to be a going concern, for the reason stated in the said notes. Accordingly, all assets and liabilities have been measured and stated at the values they expect to be realised or settled at, to the extent ascertained by management at the time of preparation of these accounts
2. We draw attention to Note 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 these matter

Information Other than the Ind AS Standalone Financial Statements and Auditor's Report thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report but does not include



financial statements and our auditor's report thereon. This report is expected to be made available to us after the date of this auditor's report.

- Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditors Responsibilities relating to other information'.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified 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 of 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.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one



resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31 March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 with reference to financial statements 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 the requirements of Section 197(16) of the Act, as amended:
- In our opinion and to the best of our information and according to the explanations given to us, the company has not paid any remuneration to its directors during the year.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements which would impact its financial position - 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 Investor Education and Protection Fund by the Company.

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


Vinesh Jain
Partner
Membership No.: 087701
UDIN: 20087701AAAACC4493



Place: Delhi
Date: 17 July, 2020

"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 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, 2020)

- 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 not granted any granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013, hence reporting under clause (iii) of CARO 2016 is not applicable.
- 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 significant delays in deposit of Income Tax, the Company has generally been regular in depositing undisputed statutory dues including Goods and Service 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 Sales Tax, Value Added Tax, Service Tax, 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, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31 March, 2020 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, 2020 on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company has not taken any loans or borrowings from banks, financial institutions and government or issued any debentures. In our opinion, the Company has not defaulted in payment of dues to debenture holders.



- 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 Company has not availed any term loans during the year.
- 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**
Chartered Accountants
Firm's Registration No.:000050N/N500045


Vinesh Jain
Partner
Membership No.: 087701
UDIN: 20087701AAAACC4493

Place: Delhi
Date: 17 July, 2020



'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 2020)

Independent Auditor's report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **Parsvnath Rail Land Project Private Limited** ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 with reference to financial statements 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 with reference to financial statements 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 system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls with reference to Financial Statements

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

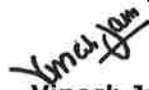
Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2020, based on 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**
Chartered Accountants
Firm's Registration No.:000050N/N500045



Vinesh Jain

Partner

Membership No.: 087701

UDIN: 20087701AAAACC4493

Place: Delhi

Date: 17 July, 2020



Parsvnath Rail Land Project Private Limited
Balance Sheet as at 31 March, 2020

	Notes	As at 31-March-20 Rs. In lakhs	As at 31-March-19 Rs. In lakhs
Assets			
1. Non-current assets			
a. Financial assets			
i. Investments	3	549.40	-
ii. Other financial assets	4	6,442.62	1,34,434.91
b. Tax assets	6	59.18	50.43
Total non-current assets		<u>7,051.20</u>	<u>1,34,485.34</u>
2. Current assets			
a. Financial assets			
i. Cash and cash equivalents	5	0.76	104.24
ii. Other financial assets	4	-	1.16
b. Other current assets	7	0.58	33.12
Total current assets		<u>1.34</u>	<u>138.52</u>
Total assets		<u>7,052.54</u>	<u>1,34,623.86</u>
Equity and Liabilities			
1. Equity			
a. Equity share capital	8	14.10	14.10
b. Convertible preference share capital	9	28.30	28.30
c. Other equity	10	(5,043.47)	472.15
Total Equity		<u>(5,001.07)</u>	<u>514.55</u>
2. Liabilities			
Non-current liabilities			
a. Financial liabilities			
i. Borrowings	11	11,617.49	86,209.19
Total non-current liabilities		<u>11,617.49</u>	<u>86,209.19</u>
Current liabilities			
a. Financial liabilities			
i. Borrowings	11	-	7,500.00
ii. Trade Payables	12		
a. Total outstanding dues of micro enterprises and small enterprises		-	-
b. Total outstanding dues of creditors other than micro enterprises and small enterprises		77.99	232.65
iii. Other financial liabilities	13	357.83	39,245.45
b. Other current liabilities	14	0.30	919.21
c. Provisions	15	-	2.81
Total current liabilities		<u>436.12</u>	<u>47,900.12</u>
Total liabilities		<u>12,053.61</u>	<u>1,34,109.31</u>
Total equity and liabilities		<u>7,052.54</u>	<u>1,34,623.86</u>

See accompanying notes to the financial statements

1-35

In terms of our report attached

For S. N. Dhawan & Co. LLP

Chartered Accountants

Firm's Registration No. 000050N/N500045

Vinesh Jain
Vinesh Jain
Partner

Membership No. 087701



For and on behalf of the Board of Directors

Rahul Kumar Srivastav
Rahul Kumar Srivastav
Director

DIN: 08250331

Arvind Kumar Mishra
Arvind Kumar Mishra
Director

DIN -08250280

Place: Delhi

Date: 17 July 2020

Parsvnath Rail Land Project Private Limited
Statement of Profit and Loss account for the year ended 31 March, 2020

	Notes	Year ended 31 March, 2020 Rs. In lakhs	Year ended 31 March, 2019 Rs. In lakhs
I Other income	16	2,215.01	267.24
II Total income		2,215.01	267.24
III Expenses			
a. Employee benefits expense	17	2.25	16.94
b. Finance costs	18	1,285.20	1,407.31
c. Other expenses	19	1,217.32	160.83
Total expenses (III)		2,504.77	1,585.08
IV Profit/(loss) before exceptional items and tax (II-III)		(289.76)	(1,317.84)
V Less: Exceptional Items (see note 24)		5,225.86	-
VI Profit/(loss) before tax (IV- V)		(5,515.62)	(1,317.84)
VII Tax expense/(benefit):			
(i) Tax adjustment for earlier years		-	10.49
		-	10.49
VIII Profit/(loss) for the year (IV - V)		(5,515.62)	(1,328.33)
IX Other comprehensive income		-	-
X Total comprehensive income for the year (VI+VII)		(5,515.62)	(1,328.33)
XI Earnings per equity share (face value Rs. 10 per share)	28		
(1) Basic (in `)		(3,911.49)	(942.01)
(2) Diluted (in `)		(3,911.49)	(942.01)
See accompanying notes to the financial statements	1-35		

In terms of our report attached

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

Vinesh Jain
Vinesh Jain
Partner
Membership No. 087701

Place: Delhi
Date: 17 July 2020



For and on behalf of the Board of Directors

Rahul Kumar Srivastav

Rahul Kumar Srivastav
Director
DIN: 08250331

Arvind Kumar Mishra

Arvind Kumar Mishra
Director
DIN -08250280

Parsvnath Rail Land Project Private Limited
Statement of Changes in Equity for the year ended 31 March, 2020

a Equity Share Capital

Particulars	Rs. In lakhs
Balance as at 31 March, 2018	14.10
Changes in equity share capital during the year	-
Balance as at 31 March, 2019	14.10
Changes in equity share capital during the year	-
Balance as at 31 March, 2020	14.10

b Preference share capital

Particulars	Rs. In lakhs
Balance as at 31 March, 2018	28.30
Changes in preference share capital during the year	-
Balance as at 31 March, 2019	28.30
Changes in preference share capital during the year	-
Balance as at 31 March, 2020	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, 2018	4,264.05	(2,463.57)	1,800.48
Profit/(loss) for the year	-	(1,328.33)	(1,328.33)
Other comprehensive income for the year	-	-	-
Balance as at 31 March, 2019	4,264.05	(3,791.90)	472.15
Profit/(loss) for the year	-	(5,515.62)	(5,515.62)
Other comprehensive income for the year	-	-	-
Balance as at 31 March, 2020	4,264.05	(9,307.52)	(5,043.47)

See accompanying notes to the financial statements

1-35

In terms of our report attached

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

Vinesh Jain
Vinesh Jain
Partner
Membership No. 087701

Place: Delhi
Date: 17 July 2020



For and on behalf of the Board of Directors

Rahul Kumar Srivastav
Rahul Kumar Srivastav
Director
DIN: 08250331

Arvind Kumar Mishra
Arvind Kumar Mishra
Director
DIN -08250280

Parsvnath Rail Land Project Private Limited
Statement of Cash Flows for the year ended 31 March, 2020

Notes	Year ended 31 March, 2020 Rs. In lakhs	Year ended 31 March, 2019 Rs. In lakhs
Cash flows from operating activities		
Profit/(loss) for the year	(5,515.62)	(1,317.84)
Adjustments for :		
Provision for diminution in value of investments	5,225.86	-
Finance costs recognised in statement of profit and loss	1,285.20	1,407.31
Interest income recognised in statement of profit and loss	(346.43)	(267.24)
	<u>649.02</u>	<u>(177.76)</u>
Movements in working capital:		
(Increase)/decrease in other current financial assets	1.16	5.52
(Increase)/decrease in other non current financial assets	1,23,862.06	267.50
(Increase)/decrease in other current assets	32.54	(12.29)
Increase/(decrease) in trade payables	(154.66)	141.34
Increase/(decrease) in provisions	(2.81)	0.14
Increase/(decrease) in other financial liabilities	(35,892.66)	81.48
Increase/(decrease) in other current liabilities	(918.91)	199.56
Cash generated from operations	<u>87,575.74</u>	<u>505.49</u>
Income tax paid (net)	(8.75)	30.80
Net cash flow from/(used in) operating activities	<u>87,566.99</u>	<u>536.29</u>
Cash flows from investing activities		
Decrease/(increase) in deposits under lien not considered as cash and cash equivalents	4,130.24	45.46
Purchase of investments	(5,775.26)	-
Interest received	346.43	314.33
Net Cash flow from/(used in) investing activities	<u>(1,298.59)</u>	<u>359.79</u>
Cash flows from financing activities		
Interest paid	(4,280.16)	(792.56)
Repayment of borrowings	(82,091.70)	-
Net Cash flow from/(used in) financing activities	<u>(86,371.86)</u>	<u>(792.56)</u>
Net increase in Cash and cash equivalents	<u>(103.47)</u>	<u>103.51</u>
Cash and cash equivalents at the beginning of the year	<u>104.24</u>	<u>0.73</u>
Cash and cash equivalents at the end of the year	<u>4</u> <u>0.77</u>	<u>104.24</u>

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

1-35

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

Place: Delhi
Date: 17 July, 2020



For and on behalf of the Board of Directors

Rahul Kumar Srivastav
Director
DIN: 08250331

Arvind Kumar Mishra
Director
DIN -08250280

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.

These financial statements have been prepared on the basis that the Company does not continue to be a going concern, and accordingly, all assets and liabilities have been measured and stated at the values they expect to be realised or settled at, to the extent ascertained by management at the time of preparation of these accounts.

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.

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 reliable 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 periods 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. 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 of financial assets are those 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.

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.

Significant accounting judgements, estimates and assumptions

The preparation of the financial statements in conformity with recognition and measurement principles of Ind AS requires the Management to make judgments, estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that these assumptions and estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

Significant judgements and other estimates and assumptions that may have the significant effect on the carrying amount of assets and liabilities in future years are:

- a. Measurement of contingent liabilities and expected cash outflows
- b. Provision for expected credit losses

Recent accounting pronouncements

During the year and subsequent to year end, the Ministry of Corporate Affairs ("MCA") has not notified new standard or amendments to the existing standards which may have material impact on the financial statements in current year and in subsequent financial year.



Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2020

	As at 31-March-20		As at 31-March-19	
	No.	Rs. In lakhs	No.	Rs. In lakhs
3 . Investments				
Non current				
A. Associate Company				
a. Equity Shares of Rs. 10 each of Parsvnath Promoters & Developers Private Limited	1,53,190	5,775.26	-	-
Less provision for diminution of value of investments		5,225.86		
	1,53,190	549.40	-	-



Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2020

	<u>As at</u> <u>31-March-20</u> <u>Rs. In lakhs</u>	<u>As at</u> <u>31-March-19</u> <u>Rs. In lakhs</u>
4 . Other financial assets		
Non-Current		
a. Security deposits to related party	-	832.50
b. Deposits with bank held as margin money	-	4,130.23
c. Claim with RLDA on deemed cancellation of project (see note 21)	6,442.62	1,29,472.18
	<u>6,442.62</u>	<u>1,34,434.91</u>
Current		
a. Advances to related parties	-	1.16
	<u>-</u>	<u>1.16</u>
5 . Cash and cash equivalents		
a. Balances with banks in current account	0.72	104.06
b. Cash on hand	0.04	0.18
	<u>0.76</u>	<u>104.24</u>
6. Tax assets (net)		
a. Tax refund receivable	59.18	50.43
	<u>59.18</u>	<u>50.43</u>
7. Other assets		
Current		
a. Prepaid expenses	-	32.82
b. Advance to holding company	0.28	-
c. Advances to suppliers	0.30	0.30
	<u>0.58</u>	<u>33.12</u>



Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2020

8. Equity share capital

	As at 31-March-20 Rs. in lakhs	As at 31-March-19 Rs. in lakhs
Authorised share capital		
2,90,50,000 equity shares of Rs. 10 each (as at 31 March, 2019: 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, 2019: 1,41,011)	14.10	14.10
	14.10	14.10

8.1- Reconciliation of share capital

	Number of Shares	Share Capital Rs. In lakhs
Balance as at 31 March, 2018	1,41,011	14.10
Movements during the year	-	-
Balance as at 31 March, 2019	1,41,011	14.10
Movements during the year	-	-
Balance as at 31 March, 2020	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-20 No. of shares	As at 31-March-19 No. of shares
Holding company		
Parsvnath Developers Limited	1,20,000	1,20,000

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

	As at March 31, 2020		As at March 31, 2019	
	Number of shares held	% holding	Number of shares held	% holding
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%



Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2020

9. Convertible preference share capital

	As at 31-March-20 Rs.in lakhs	As at 31-March-19 Rs.in lakhs
Authorised share capital 3,00,000 Class A -Cumulative convertible preference share of Rs. 10 each (as at 31 March, 2019: 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, 2019: 282,974 shares)	28.30	28.30
	28.30	28.30

9.1- Reconciliation of share capital

	Number of shares	Share Capital Rs. In lakhs
Balance as at 31 March, 2018	2,82,974	28.30
Movements during the year	-	-
Balance as at 31 March, 2019	2,82,974	28.30
Movements during the year	-	-
Balance as at 31 March, 2020	2,82,974	28.30

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-20		As at 31-March-19	
	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%



Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2020

	<u>As at</u> <u>31-March-20</u> <u>Rs. In lakhs</u>	<u>As at</u> <u>31-March-19</u> <u>Rs. In lakhs</u>
10. Other equity		
a. Securities premium reserve	4,264.05	4,264.05
b. Retained earnings	(9,307.52)	(3,791.90)
	<u>(5,043.47)</u>	<u>472.15</u>
a. Securities premium		
Balance at the beginning of the year	4,264.05	4,264.05
Movement during the year	-	-
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	(3,791.90)	(2,463.57)
Profit/(Loss) for the year	(5,515.62)	(1,328.33)
Balance at the end of the year	<u>(9,307.52)</u>	<u>(3,791.90)</u>

a. Securities premium - 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.

b. Retained earnings - Retained earnings are profits/losses of the Company earned till date.



Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2020

	As at 31-March-20 Rs. In lakhs	As at 31-March-19 Rs. In lakhs
11. Borrowings		
Non current		
Unsecured - at amortised cost		
a. 0.1% Optionally convertible debentures Series X of Rs. 1 lakh (31 March,2020: Nil; 31 March 2019: 6,550; optionally convertible debentures of Rs 1 lakh each)	-	6,550.00
b. 0.1% Optionally convertible debentures Series Y of Rs. 1 lakh (31 March,2020: Nil; 31 March 2019:16,000; optionally convertible debentures of Rs 1 lakh each)	-	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> <p>These debentures have been redeemed during the year</p>		
c. 17.50% Optionally convertible debentures Series B of Rs. 1040 each (31 March, 2020: Nil; 31 March 2019: 3,09,634; optionally convertible debentures of Rs 1,040 each)	-	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> <p>These debentures have been redeemed during the year</p>		
Secured - at amortised cost		
a. 15% Redeemable non convertible debentures Series A of Rs. 1 lakh each (31 March,2020: 360; 31 March 2019: 36000; redeemable non convertible debentures of Rs 1 lakh each)	360.00	36,000.00
b. 15% Redeemable non convertible debentures Series B of Rs. 1 lakh each (31 March,2020: 11,257; 31 March 2019:24,439 debentures)	11,257.49	24,439.00
	11,617.49	86,209.19



Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2020

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, outstanding, 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-20 Rs. In lakhs	As at 31-March-19 Rs. In lakhs
Borrowings		
Current		
Secured - at amortised Cost		
a. Loans from other parties	-	7,500.00
	-	7,500.00
	As at 31-March-20	As at 31-March-19
Security details		

- 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; hypothecation 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 167.9 lakhs 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

	AS at 31-March-20 Rs. In lakhs	AS at 31-March-19 Rs. In lakhs

Default in repayment of borrowings

a. Principal	-	7500
(No. of days)	(-)	(176 days)
b. Interest	-	870.94
(No. of days)	(-)	(1 to 365 days)



Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2020

	As at 31-March-20 Rs. In lakhs	As at 31-March-19 Rs. In lakhs
12. Trade payables		
Current		
Trade payables	77.99	232.65
	77.99	232.65
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		
Current		
a. Interest accrued but not due on debenture	-	2,124.02
b. Interest accrued and due on borrowings	-	870.94
c. Security deposit received	-	0.10
d. Payables on assignment (see note 20)	357.83	36,168.91
e. Due to holding company	-	81.48
	357.83	39,245.45
14. Other liabilities		
Current		
a. Statutory liabilities	0.30	919.21
	0.30	919.21
15. Provisions		
Current		
Employee benefits	-	2.81
	-	2.81
Break up:		
a. Provision for gratuity		2.66
b. Provision for compensated absences		0.15
	-	2.81



Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2020

	Year ended 31 March, 2020 Rs. In lakhs	Year ended 31 March, 2019 Rs. In lakhs
16. Other income		
a. Interest Income :		
i. on fixed deposit from bank	344.45	256.69
ii. on income tax refund	1.98	10.55
b. Profit on redemption of debentures	1,813.34	-
c. Balances written back	55.24	-
	2,215.01	267.24
17. Employee benefits expense		
a. Salaries and wages	2.25	16.94
	2.25	16.94
18. Finance cost		
a. Interest expense:		
i. on term loans	401.10	1,200.00
ii. on debentures	802.08	-
ii. on delayed payment of statutory dues	41.90	110.01
b. Other borrowing costs	40.12	97.30
	1,285.20	1,407.31
19. Other expenses		
a. Rates and taxes	11.89	29.90
b. Bank charges	0.37	0.59
c. Printing and stationery	0.07	-
d. Advertisement and business promotion	0.40	0.45
e. Legal and professional charges	1,201.39	11.07
f. Payment to auditors	3.18	4.72
g. Registration expenses	-	113.25
h. Miscellaneous expenses	0.02	0.85
	1,217.32	160.83
Payment to auditors		
i. Statutory audit fee	2.00	2.00
ii. Limited review fee	1.00	2.00
iii. GST on (ii) above	0.18	0.72
	3.18	4.72



Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2020

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 identified as a Special Purpose Vehicle (SPV) Company for the purposes of implementation of the project and RLDA accorded its in principle approval on 7 February, 2011.

Subsequently as per the requirement of RLDA and their subsequent approvals vide letter dated 3 August, 2012, PDL incorporated a new company Parsvnath Rail Land Project Private Limited (PRLPPL) for the development and implementation of the project and accordingly all assets and liabilities were transferred by PPDPL to the Company.

Due to multifarious reasons, PRLPPL was not able to achieve Financial Closure as per Article 7 of the Development Agreement which resulted in deemed termination of the agreement. PRLPPL 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 three Arbitration proceedings namely Arbitration I, II and III. In Arbitration I, PRLPPL and PDL claimed interest on instalments demanded and received in advance by RLDA since necessary legislation was passed only later. The Arbitral Tribunal by majority judgment dated May 31, 2018 rejected the Company's claim and directed the Company vide its Award dated June 1, 2018, to pay the cost incurred in the proceedings amounting to Rs. 97.00 lakhs to RLDA. However, the Company has appealed against the decision before the Delhi High Court and the Hon'ble Court's decision is awaited (OMP (Comm) 395/2018 & IA 1250/2018). The Arbitral Tribunal announced its award in respect of the Arbitration II on 25th November, 2017 directing RLDA to refund the amount of Rs.103,453.78 lacs along with 4% interest per annum payable with effect from the 15th July, 2015 till the date of recovery. RLDA challenged the award before the Hon'ble Delhi High Court, which upheld the decision of the Arbitral Tribunal vide its order dated 3 April, 2018. Thereafter, RLDA filed an appeal before the Division Bench of the Delhi High Court, which was dismissed vide judgment dated 14 March, 2019. Subsequently, the Special Leave Petition filed by RLDA before the Hon'ble Supreme Court of India, was also dismissed on 08 July, 2019.

PRLPPL has subsequently received the award amount during July, 2019.

Dispute regarding alleged misrepresentation under the Development Agreement has been referred to arbitration ("Arbitration III") and is pending adjudication.

Considering the facts and based on discussions with legal counsel, the management considers the due from RLDA as good and fully recoverable.

The Company entered into a Master Settlement Agreement (MSA) on 29th July, 2019 with its investors, PPDPL and its investors and PDL under which a scheme of settlement including distribution of amounts available amongst the parties was agreed upon. An addendum to the MSA was executed on 24 October, 2019 making certain changes in the MSA. The Agreement also laid down the manner in which the amount received by the Company would be utilized.

On 29 July, 2019 the Company also executed an amendment agreement to Investment and Security Holders' Agreement (ISHA) to record inter alia the revised terms and conditions for distribution of the amounts available and make certain changes in the ISHA. Amendment/ addendum were also made to the Debenture Trust Deeds and Debenture Subscription Agreements for non-convertible debentures, debenture subscription agreement for optionally convertible debentures for series B, X and Y to record the revised terms and conditions.

Considering the facts and based on discussions with legal counsel, the management is confident of recovering the balance amount from RLDA, as reflected in Note 4 to the financial statements.

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. In the absence of profits, debenture redemption reserve has not been created.

Non-convertible debentures (NCDs) Series B were partially redeemed on 26.07.2019 and 24.10.2019. Amount of NCDs Series B outstanding after partial redemption is Rs. 11,257.49 lakhs

Non-convertible debentures (NCDs) Series A were partially redeemed on 26.07.2019 and the amount outstanding after partial redemption is Rs. 360.00 lakhs.

Optionally convertible debentures Series B, Series X and Series Y held by Parsvnath Developers Limited, Three C Infra Pvt. Ltd. and Solace Projects Pvt. Ltd respectively, aggregating to Rs. 2,57,70,19,360/- were redeemed in full during the year.



Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2020

23. As mentioned in Note 21 above, the Company has surrendered its project to RLDA and has received the award amount during the year. The Company has also partly redeemed its debentures out of award money received. The Company does not have any project in hand, therefore these financial statements have been prepared on the basis that the Company does not continue to be a going concern, and accordingly, all assets and liabilities have been measured and stated at the values they expect to be realised or settled at, to the extent ascertained by management at the time of preparation of these accounts.

24. Exceptional item

During the year, the Company had made investment in equity shares of a fellow subsidiary company. The investment has been tested for impairment and the Company has recognised provision of Rs. 5225.86 lakhs for diminution in value of investment. This has been reflected as 'Exceptional Item' in the financial statements.

25. 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.

26. 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, 2020 Rs. in lakhs	As at 31 March, 2019 Rs. in lakhs
Liability at the beginning of the year	2.66	2.21
Current service cost	(2.66)	0.45
Paid during the year	-	-
Liability at the end of the year	-	2.66
Expensed recognised in the Statement of Profit and Loss	(2.66)	0.45

27. Segment reporting

The Company has surrendered its project and has no other project. For management purposes, there is no 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

There is no single customer contributed 10% or more to the Company's revenue during the year 2019-20 and 2018-19.

28. Earnings per share

		Year ended 31 March, 2020	Year ended 31 March, 2019
i.	Net loss for calculation of basic and diluted earnings per share	Rs. in lakhs (5,515.62)	(1,328.33)
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. (3,911.48)	(942.01)
iv.	Nominal value of equity shares	Rs. 10.00	10.00



Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2020

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 (with whom the Company had transactions during the year)

- Parsvnath Promoters and Developers Private Limited (PPDPL)

ii. Balances outstanding/transactions with related parties

	PDL	PPDPL
(a) Transactions during the year		
Security deposits received back	832.50 (267.50)	-
Advances paid	1,228.34 (145.57)	-
Advance received	-	-
Advance repaid	-	-
Advances received back	1,146.58 (-)	1.16 (-)
Redemption of debentures	3220.19 (-)	-
Purchase of investments	5775.26 (-)	-
Provision for diminution in investment	-	5,225.86 (-)
Transfer & redemption of debentures	-	18,133.39 (-)
Guarantees rescinded	7,500.00 (-)	-
(b) Balances at year-end		
Optionally convertible debenture - Series B	-	-
Interest accrued but not due on OCD's	-	-
Investment in equity shares (net of provision)	-	549.40 (-)
Short-term Advances	0.28 (-)	-
Security deposit (assets)	-	-
Pavables	-	357.83 (36,168.91)
Guarantees issued for loan	-	-

Notes:

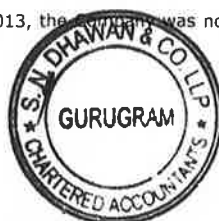
- 1 Related party transactions entered during the year were in ordinary course of business and are on arm's length basis
- 2 Figures in brackets represent figures as at and for the year ended 31 March, 2019.

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, 2020, the Company has not recorded any impairment of receivables from related parties (31 March, 2019 - 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.

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).



Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2020

31. Financial Instruments

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

	As at 31-March-20		As at 31-March-19		Rs. in lakhs		
	Total	Amortised Cost	FVTPL	Total		Amortised Cost	At cost
Financial assets							
i. Investments	549.40	549.40	-	-	-	-	-
ii. Cash and cash equivalents	0.76	0.76	-	104.24	104.24	-	-
iii. Other financial assets	6,442.62	6,442.62	-	1,34,436.07	1,34,436.07	-	-
Total financial assets	6,992.78	6,992.78	-	1,34,540.31	1,34,540.31	-	-
Financial liabilities							
i. Borrowings	11,617.49	11,617.49	-	93,709.19	93,709.19	-	-
ii. Trade Payables	77.99	77.99	-	232.65	232.65	-	-
iii. Other financial liabilities	357.83	357.83	-	39,245.45	39,245.45	-	-
Total financial liabilities	12,053.31	12,053.31	-	1,33,187.29	1,33,187.29	-	-

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



Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2020

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 claim receivable from RLDA and investment.

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:

	Rs. in lakhs			
	Carrying amount	Payable within 1 year	Payable in 1-3 years	Payable more than 3 years
As at 31 March, 2020				
Borrowings	11,617.49	-	-	11,617.49
Trade payables	77.99	77.99	-	-
Other financial liabilities	357.83	357.83	-	-
	12,053.31	435.82	-	11,617.49
As at 31 March, 2019				
Borrowings	93,709.19	7,500.00	-	86,209.19
Trade payables	232.65	232.65	-	-
Other financial liabilities	39,245.45	39,245.45	-	-
	1,33,187.29	46,978.10	-	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, 2020 Rs. in lakhs	As at 31 March, 2019 Rs. in lakhs
Variable rate borrowings		
Long Term	-	-
Short Term	-	-
	-	-



Parsvnath Rail Land Project Private Limited
Notes to the financial statements for the year ended 31 March, 2020

Total Variable rate Borrowing

Fixed Rate Borrowings

Long Term	11,617.49	86,209.19
Short Term	-	7,500.00

Total Fixed rate Borrowing	<u>11,617.49</u>	<u>93,709.19</u>
-----------------------------------	------------------	------------------

Total Borrowing	<u>11,617.49</u>	<u>93,709.19</u>
------------------------	------------------	------------------

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:

	<u>As at 31 March, 2020</u> Rs. in lakhs	<u>As at 31 March, 2019</u> Rs. in lakhs
Borrowings:		
- Long term	11,617.49	86,209.19
- Short term	-	7,500.00
- Current maturities of long term borrowings	-	-
Total borrowings - A	<u>11,617.49</u>	<u>93,709.19</u>
Equity		
- Equity share capital	14.10	14.10
- Preference share capital	28.30	28.30
- Other equity	(5,043.47)	472.15
Total Equity - B	<u>(5,001.07)</u>	<u>514.55</u>
Debt to equity ratio (A/B)	(2.32)	182.12

34. Events after the reporting period

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

35. Approval of the financial statements

The financial statements were approved for issue by Board of Directors on 17 July, 2020



For and on behalf of the Board of Directors

Rahul Kumar Srivastav
 Director
 DIN: 08250331

Arvind Kumar Mishra
 Director
 DIN -08250280

Place: Delhi
 Date: 17 July, 2020