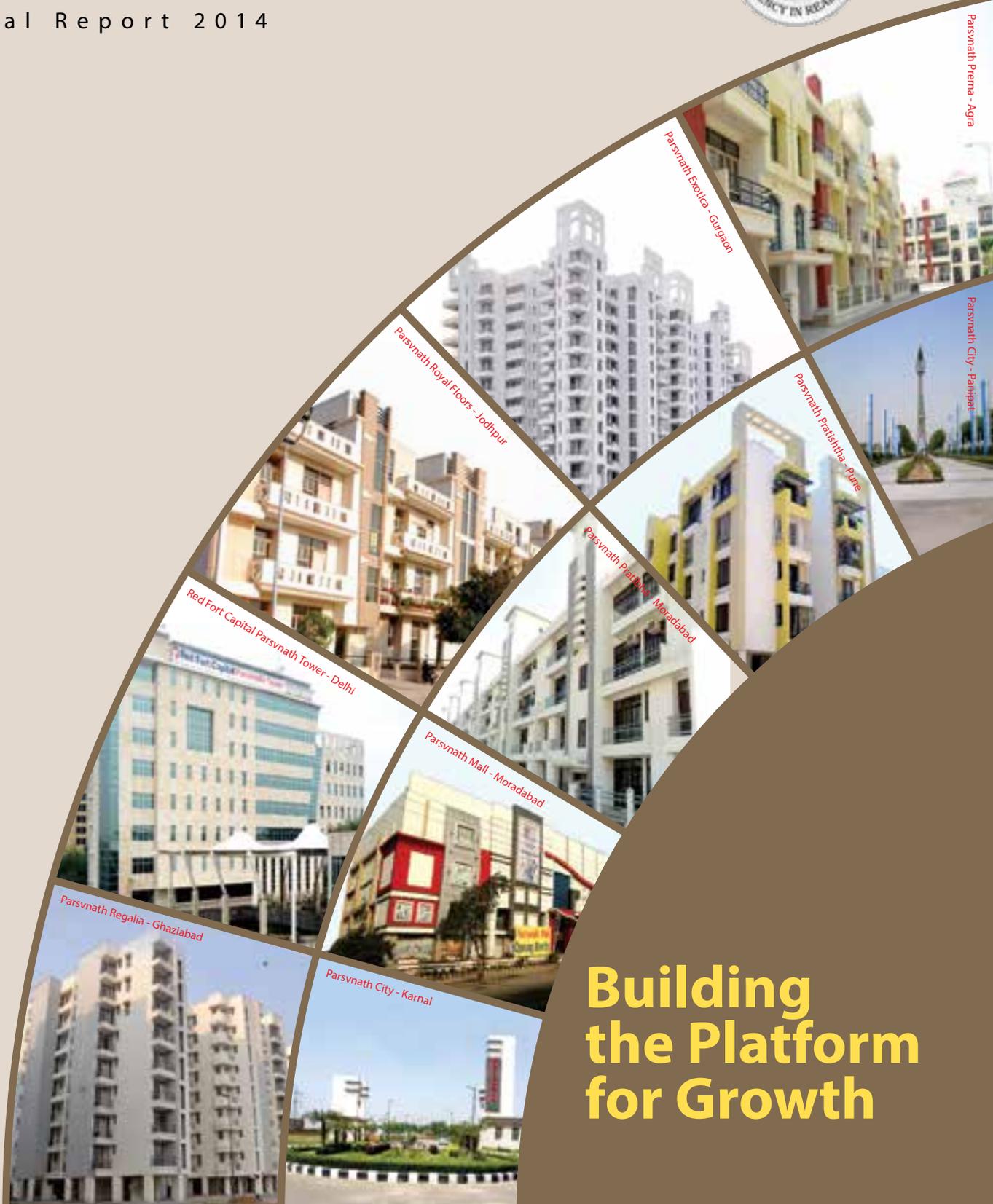


# Parsvnath

committed to build a better world

Annual Report 2014



Parsvnath Perna - Agra

Parsvnath City - Panipat

Parsvnath Exotic - Gurgaon

Parsvnath Royal Floors - Jodhpur

Parsvnath Pratiksha - Pune

Parsvnath Pratiksha - Moradabad

Red Fort Capital Parsvnath Tower - Delhi

Parsvnath Mall - Moradabad

Parsvnath Regalia - Ghaziabad

Parsvnath City - Karnal

## Building the Platform for Growth

55 Projects delivered • 44 Cities presence • 20 Projects in Delhi • 5 FDI Projects

## **FORWARD-LOOKING STATEMENT**

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements, written and oral, that we periodically make contain forward-looking statements that set out anticipated results based on the management's plan and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'project', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

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# Building the Platform for Growth

What you do today is going to define tomorrow.

We, at Parsvnath Group, could not agree more.

Against the backdrop of a downbeat economy, we have shown the resilience of our business by successfully overcoming most of the challenges en route. Profitability did decline but our business showed the character of a leader by remaining steadfast to our commitment for perfection, transparent policies and customer satisfaction. With winds of change blowing across the nation, it is now time to envision a bigger and brighter tomorrow. And dreams can only translate into reality when we lay the groundwork for future progress.

Our mid-term strategy, therefore, is to reinforce the foundation of our business through carefully evaluated policies.

From monetizing and realizing the value of non-core assets in our portfolio for the benefit of our shareholders, to strengthening the balance sheet through debt reduction; From reinforcing our commitment to faster execution and on-time delivery, to ensuring a tighter grip on all cost overheads;

From executing innovative projects that meet the divergent needs of our customers and showcase operational excellence, to entering into joint ventures that meet our growth imperative.

We firmly believe we are more prepared than ever for tomorrow, on the back of our well-devised strategies.

Parsvnath's growth and leadership is an ode to the thousands of satisfied stakeholders across the country. Today, as we stand on the threshold of 30 years of existence, we are at an inflection point. Through our policies which reaffirm our commitment to our stakeholders, we are paving the way for stronger growth for tomorrow.



# The world of Parsvnath

Armed with three decades of extensive industry experience and execution prowess, Parsvnath Group is one of India's leading real estate and integrated infrastructure developers. Our strength lies in our progressive approach and multi-segment base spanning diverse sectors. Our diversified business portfolio includes Residential, Commercial (Office and Retail), DMRC Projects, Hotels, SEZs, IT Parks and Third Party Construction.

As on June 30, 2014, we have a portfolio of 55 completed projects and are currently working on 49 projects. Our diversified pan India mix encompasses: 41% of saleable area in Delhi/NCR, 25% in western-central India, 21% in southern India, and 13% in northern India.

Excellence, right from concept and design to delivery of world-class reality landmarks, has been the growth driver of our operations. This has been reinforced over the years through our highly capable and leading human asset team that comprises talented and experienced engineers, architects and others, who work closely with consultants, including renowned professionals such as Hafeez Contractor, C.P. Kukreja, Gian Mathur, Callison (U.S.A.) and Habitat & Associates.

Our strong and long-term relationships with our vendors enable regular and uninterrupted raw material supply, while our robust systems ensure quality control, timely delivery and cost efficiency. Steered by our visionary management, we have built a strong portfolio of strengths that shall lead us towards a brighter and better future.



## Our Vision

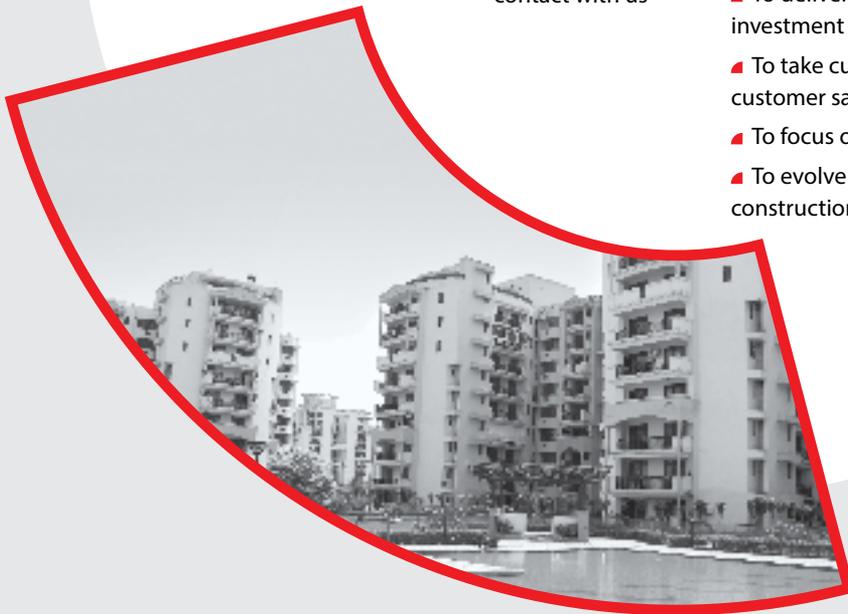
Our vision revolves around our motto 'Building a better world'. We will accomplish this by delivering holistic and long-term value to all our stakeholders.

### Our approach to building value:

- ▲ Envision, design and construct the most magnificent landmarks and edifices
- ▲ Contribute tangibly to regional and national development by way of key infrastructure projects
- ▲ Protect and preserve the environment we live in
  - ▲ Make the world a better place to live in
- ▲ Transform and uplift the quality of living and the lifestyle of each and every individual who comes in contact with us

## Our Mission

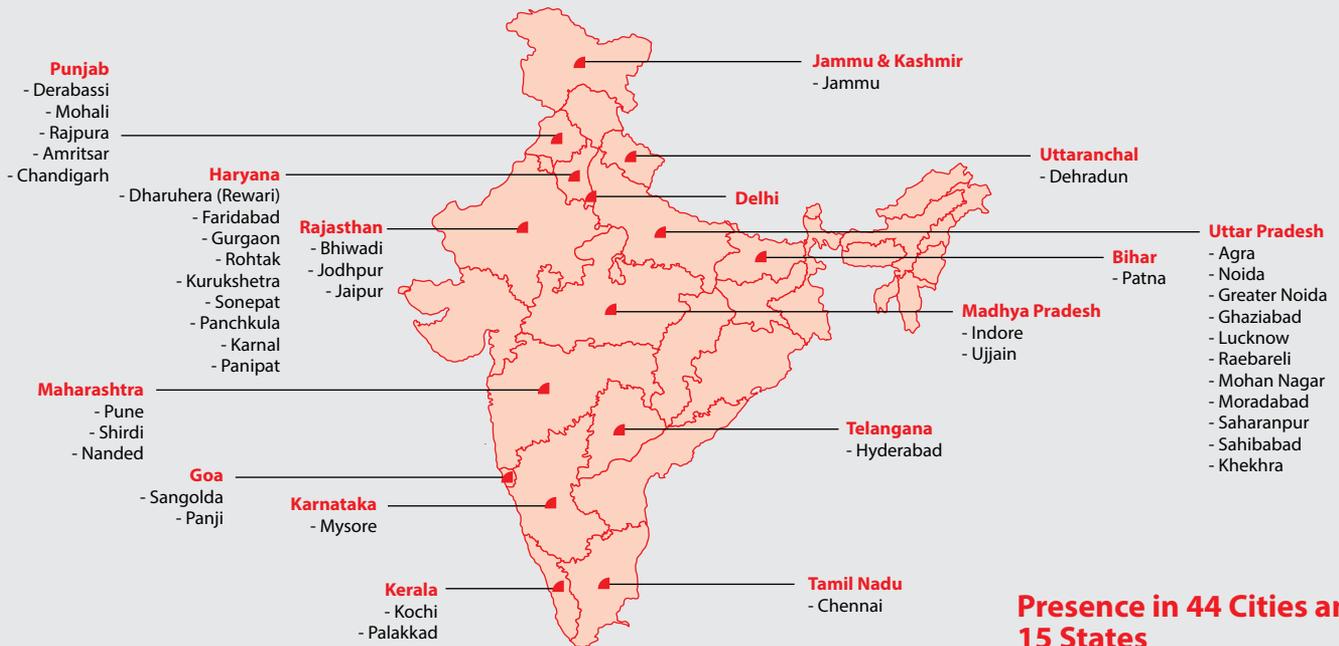
- ▲ To build a better world
- ▲ To set standards and improve our environment
- ▲ To offer a wide portfolio of international quality products that cater to different markets and segments
- ▲ To deliver value for money and excellent investment returns
- ▲ To take customer relationships and customer satisfaction to new levels
- ▲ To focus on strategic growth
- ▲ To evolve contemporary benchmarks in construction and marketing practices



## Our Growth Drivers



## Across India, Across Verticals



**Presence in 44 Cities and 15 States**

# Completed & Ongoing Projects

## Completed Projects

Vertical	No. of projects	Saleable area in sq. mtrs. (mn sq. ft.)
Residential	20	8,31,254 (8.95)
Commercial	12	70,788 (0.76)
DMRC (BOT)	11	87,900 (0.95)
Integrated Townships (Plot & built-up houses)	12	10,74,924 (11.57)
<b>Total</b>	<b>55</b>	<b>20,64,866 (22.23)</b>

## Projects under Execution

Vertical	No. of projects	Saleable area in sq. mtrs. (mn sq. ft.)
Residential	16	18,35,004 (19.75)
Commercial	9	1,53,516 (1.65)
DMRC (BOT)	5	1,28,777 (1.39)
Integrated Townships	13	44,20,414 (47.58)
Hotels	5	36,985 (0.40)
I.T. Parks	1	63,790 (0.69)
<b>Total</b>	<b>49</b>	<b>66,38,486 (71.46)</b>



# From the Chairman's Desk

With a strong focus on improving profitability and making Parsvnath a value-driven organization, the Group has laid out a clear set of priorities for the next 12 to 24 months



*Dear Shareholders,*

The subdued economic environment prevailing in fiscal 2013 continued into fiscal 2014, straining economic growth. With two consecutive years of sub-5% GDP growth, the real estate sector has faced some cooling down, leading to significant challenges for real estate developers. Keeping the difficult economic scenario in perspective, it is a pleasure to report that Parsvnath Group navigated the challenging business environment reasonably well. More importantly, through our well thought-out strategic measures and their stringent implementation, we are now on a more solid footing for long-term growth.

At the macro level, fiscal 2013 manifested itself in persistent high inflation, high fiscal deficit, currency volatility, slow industrial output and restraints in foreign investments. The infrastructure and construction industry suffered multiple problems, notably, delay in approvals, ever increasing raw material cost, high cost of funds, slowdown in real estate sales driven by low market sentiments and liquidity crunch triggered by slow uptick of sales volume. Notwithstanding this tough environment, which severely impacted most real estate companies, we have been able to register reasonable sales volumes, albeit lower than previous year.

Consolidated revenues declined to ₹ 561 Crores in FY14 as against ₹ 643 Crores in FY13. However, constant increase in input costs, which were largely beyond our control, dented profit margins. Profit before Tax stood at ₹ 39 Crores in FY14 as against ₹ 132 Crores in FY13.

## Building the Platform for Growth

With a strong focus on improving profitability and making Parsvnath a value-driven organization, the Group has laid out a clear set of priorities for the next 12 to 24 months. The strategic focus is on assessing and evaluating our assets, business and markets, and accordingly sell non-core assets that are not aligned with our core business in terms of development potential. We are also working towards asset monetization by raising long-term capital to reduce the debt.

Apart from this, we also recognize the vital importance of maintaining cost discipline. To maximize returns to our stakeholders, we are dedicated to streamlining the organizational structure and costs. The Group is also reviewing financing strategies to ensure optimal allocation and use of capital resources. Our renewed commitment to faster execution and timely delivery will enable us to further improve operations and efficiency.

In addition, we continue to focus on improving our customer experience, knowing that if we do the right things for our customers, profitability and goodwill will follow.

## Progress on Projects

Irrespective of the business challenges we faced during the year, our commitment to deliver superior property propositions of enduring value and uplifting lifestyle continued unabated. We offered possession of approximately 3,67,525 sq. mtrs. (3.96 mn. sq. ft.) in FY14.

Several of our projects and initiatives, including the Ultra-Luxury project 'La-Tropicana' in New Delhi; Pioneering the innovative marketing scheme 'House of Happiness', the record completion of Part A of the Red Fort Parsvnath Tower at Bhai Veer Singh Marg in New Delhi, have won awards and accolades, endorsing the success of our growth strategy.

We are now focused on new projects, including a residential project at Sarai Rohilla in New Delhi and a world-class commercial

complex, 'Parsvnath 27' at KG Marg, Delhi. With the high quality of our projects, diversified portfolio and an improving real estate market environment, we remain optimistic about the long-term cash generating potential of our projects for the Company.

## Outlook

In the backdrop of stable outcome of the national elections, there is now a growing optimism that the economy will be reinvigorated. Further, the recently announced progressive budgetary measures of setting up of Infrastructural Investment Trusts (InvITs) and Real Estate Investments (REITs) are expected to ease the liquidity crunch faced by real estate sector. Coupled with the raise in tax exemption limits (thus motivating home buyers) and reforms initiated in mid-2013 in the form of Real Estate Regulatory (RER) Bill and new Land Acquisition Act, real estate demand is expected to embark on the path to recovery.

With our established strong presence in the industry and our reputation as a quality builder, we remain highly positive about improving our sales volume and driving profitability.

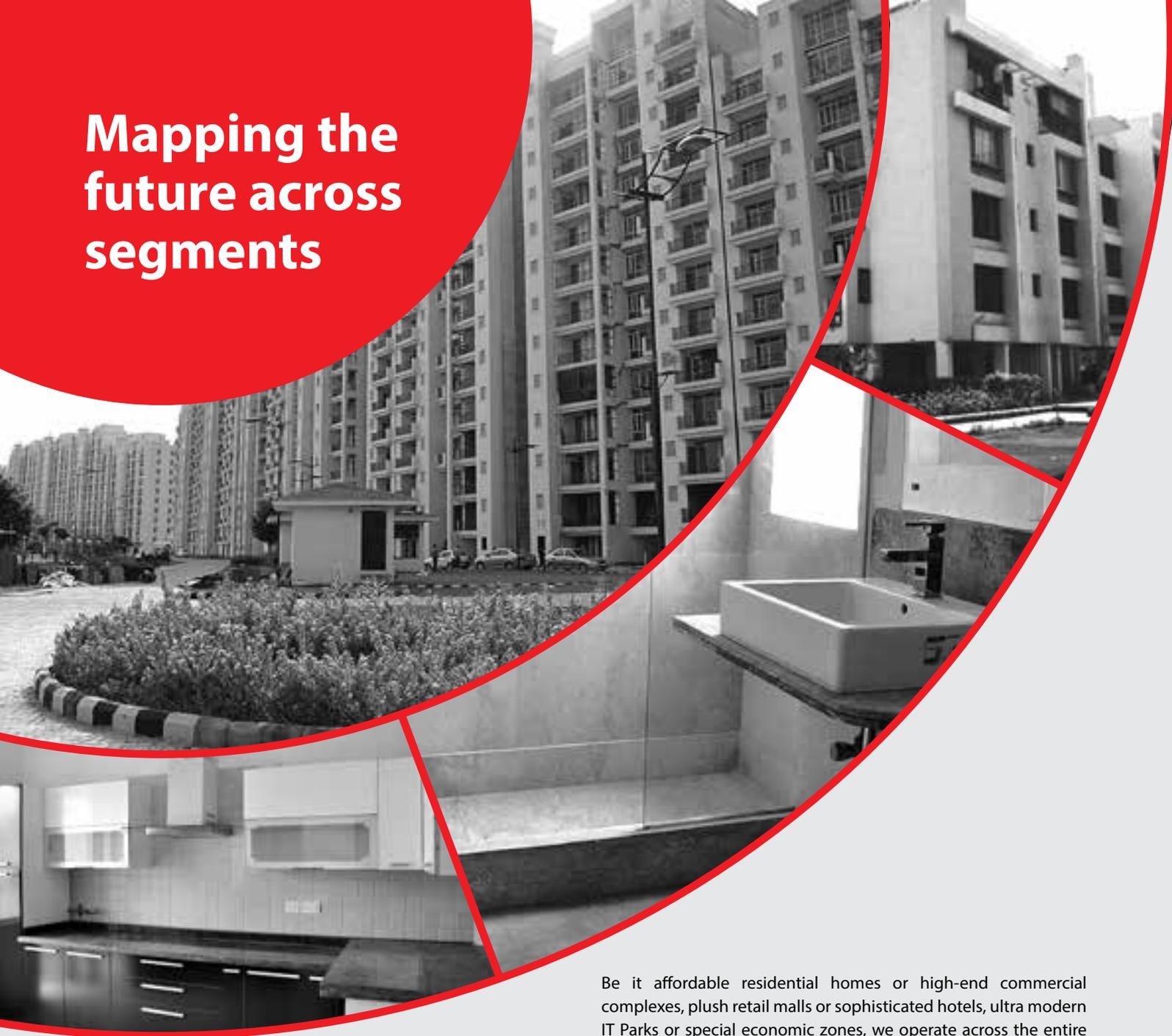
## Conclusion

In our journey of growth and transformation, we have relied heavily on the skills and capabilities of our team of people. On behalf of the Board, I would like to thank them all for their hard work and efforts over the past years. Also, I would like to thank all our stakeholders for their continued trust and support. As we embark on another fiscal, I look forward to communicating our results and accomplishments as we execute our coherent and cohesive strategies towards a higher growth trajectory.

Thanking you,  
Yours sincerely,

**Pradeep Jain**  
Chairman

# Mapping the future across segments



Creating desirable real estate is the *raison d'être* of our business. Leveraging in-depth knowledge and experience of the real estate and construction business, our ultimate aim is to create properties with enduring occupier appeal. Our mission of creating architectural marvels is manifested across the different verticals through use of best-in-class construction practices, state-of-the-art technology and products benchmarked to global standards.

Be it affordable residential homes or high-end commercial complexes, plush retail malls or sophisticated hotels, ultra modern IT Parks or special economic zones, we operate across the entire spectrum of real estate on the back of our excellence motto, which is focused on transforming lives of those who use our properties.

For us, desirable real estate also means a strong emphasis on ensuring timely completion of quality properties. The thrust, therefore, is always on faster execution and timely delivery to generate greater satisfaction among all stakeholders.

Steered by this fundamental philosophy of creating landmarks in real estate, we have emerged as one of the most progressive and multi-faceted real estate and construction entities in the country – a reputation we are proud to carry as we move forward towards mapping a great future for one and all.

## Residential

As a national house builder committed to operating throughout India, and providing a first class experience for customers buying the homes we build, we have a wide portfolio of residential properties that stand out as icons of excellence.

Our customers include first time buyers, families and investors. Our business model, designed to address the evolving needs and desires of our customers, has, at its core, targeted land buying, effective planning, outstanding design and construction excellence, all backed by an industry leading customer experience.

Our residential portfolio encompasses multi-storied apartments and group housing, and represents 40% of projects completed by saleable area and 28% of projects currently under development.

Our innovative '25:75 House of Happiness' Scheme, where buyers had the option of paying most of the total cost on offer of possession, received an overwhelming response in

the market. The scheme did not involve any bank loans or EMLs. Underpinning the attractiveness of this innovative scheme was the recognition received from ABP News for being the 'Innovative Real Estate Marketing Campaign of the Year'. This innovative payment plan has been very well received and adopted by the industry.

Benchmarking projects to international standards with best-in-class amenities is our key priority. The ultra luxury project 'La Tropicana', New Delhi, has been accredited as the 'Most Promising Project of North India 2014-15' by Estate Avenue Real Estate Awards, and was also awarded by CNBC (under category - the best 50% complete residential project under ultra luxury segment in NCR). Also during the year, the project 'Parsvnath Planet', Lucknow, was awarded by CNBC (under category of special recognition in Lucknow city under best 50% complete residential project under mid-segment).

These recognitions further endorse the Company's commitment to bringing to India world acclaimed designs, construction practices and the best quality materials – all combining together to deliver residential landmarks for tomorrow.

# Mapping the future across segments



## Integrated Townships

With their wide range of amenities and infrastructure development, integrated townships offer a holistic living environment, beating the chaos of the city while being well connected to it. Further, they have the added benefit of helping to extend the boundaries of the urban sprawl, a much required necessity with rural population gravitating towards urban areas and the surroundings.

We are fully cognizant of the need to build integrated townships and have, therefore, embarked on several integrated township projects in recent years. These integrated township projects, in various stages of development across the major Indian cities, stand out from the vast majority mushrooming across the country because of the value addition they provide, the wide, well planned and lit roads and superior underground infrastructure development.

Our current portfolio of integrated townships includes our constructions in Indore, Jaipur, Jodhpur, Lucknow, Karnal, Panipat, Saharanpur, Sonapat, Ujjain, Rajpura, Rohtak, Dharuhera and Derabassi, among others.

Integrated townships are a value accretive business vertical as they represent 52% of projects completed by saleable area and 67% of the projects currently under development. Further, through plot sales they provide flexibility to our revenue model, helping us tide over periods of tighter liquidity.





## Commercial

Commercial segment has undergone a complete transformation in recent years, with corporate sector and services increasingly looking out for an office environment which offers more than just a space in a well-connected hub. Our offerings of commercial properties, which stand out as symbols of excellence for their attractive look and high global standards, are much sought after business destinations.

At Parsvnath, our emphasis has always been to build a portfolio of high value commercial properties that yield recurring revenue, improving company resilience to periods of tighter liquidity. During the period, the high-end ultra modern commercial complex - Red Fort Capital Parsvnath Towers, at Bhai Veer Singh Marg in the heart of New Delhi, was ready for leasing. This represents Part A of the total property, which was completed in a record period of 30 months. The project, with Red Fort Capital as the FDI partner, has been awarded a NCR-6 star rating. The Company has received all the requisite approvals for construction of a commercial building on plot of land measuring 0.49 hectares (1.18 acres) situated at 27, Kasturba Gandhi Marg, New Delhi - 110 001, owned by the Company's subsidiary.

The decisive mandate given by the people in the recent elections provides a strong reason to believe that business and trade will receive a fillip, leading to an upswing in demand for commercial properties. As a result of the emerging opportunity matrix, and also because of the value proposition of commercial properties, this segment will continue to be an integral part of our portfolio.

# Mapping the future across segments



## Delhi Metro Rail Corporation (DMRC)

The DMRC, having entrenched its superiority as the transport lifeline of the national capital, is now on its way to becoming a key infrastructural growth component of the NCR.

Recognizing early the real estate opportunities in this promising arena, we have strategically leveraged our robust construction and execution skills to encompass BOT infrastructure projects in the DMRC segment. We have bagged 13 projects with a total development area of 1,92,307.69 sq. mtrs. (2.07 mn. sq. ft.) for commercial real estate, with an average lease term of either 12 or 30 years. The completed projects, covering an area of 92,902.27 sq. mtrs. (1.00 mn. sq. ft.), have gained wide appreciation and acceptance on the NCR landscape.

Endorsement of these quality offerings by high profile tenants, including McDonald's, Big Bazaar, KFC, SBI Life Insurance, Syndicate Bank, OBC, Yes Bank, Axis Bank, Comesum, Haldiram, Levi's etc., has increased the trust and value proposition we offer in the DMRC space.

We see in this segment a major growth path for the future, especially with DMRC proposing large-scale expansion plans to expand and improve connectivity.



## Hospitality

In this segment, we are currently developing a hotel property at Shirdi through a 100% subsidiary, Parsvnath Hotels Limited (PHL). This hotel project, in the affordable hospitality segment, will be managed by a leading national hotel chain on completion.

## SEZ

We operate in the Special Economic Zones (SEZ) segment through a subsidiary Parsvnath Infra Limited (PIL), in which PDL holds 94.87% equity. At present, the focus is on developing SEZs for IT/ITeS and Biotechnology. While Information Technology SEZ will be developed at Kochi, Kerala, the Biotechnology SEZ will be set up at Hyderabad, Andhra Pradesh.

Keeping tax implications and overall profitability in focus, we have adopted a cautious and pragmatic approach while taking decisions for projects in the SEZ segment.

We shall continue with our cautious approach in this regard, going forward.

## Third Party Contracts

As a result of our well-entrenched position in the industry and exhaustive experience, we have successfully built excellent in-house capabilities and competencies. Leveraging these strengths, we had ventured into Third-Party construction business for further value creation. Besides enabling productive utilization of internal construction and purchase capabilities, these Third-Party construction contracts help to develop a stable revenue earning stream, especially beneficial during times of fluctuating or subdued business environment.

# Charting new horizons in CSR





Our strong focus on collaborative growth drives us to not only serve the customers with superior property propositions, but also to touch and improve the lives of the communities in which we operate. This dedicated commitment towards inclusive growth for creating long-term sustainable value is the driving force behind our Corporate Social Responsibility (CSR) initiatives.

Under the aegis of Parsvnath Foundation, the CSR arm of PDL, led by the Company Chairman Mr. Pradeep Jain, we continue to work relentlessly and dedicatedly to ensure overall growth and progress of the communities around which we work.

Formed as an NGO, Parsvnath Foundation has made a conscious endeavor to achieve the Company's social objectives, especially in the fields of education and healthcare. The NGO's commitment lies in promoting, operating, improving and developing scientific institutions, libraries, clinics, hospitals, dispensaries, and crèches for the poor and needy. It also assists in constructing, running and developing schools.

Our unequivocal principle to pursue initiatives for eradication of illiteracy among children from less privileged backgrounds has fueled other social responsibility programs as well. These include: providing assistance in printing, publishing books, magazines, newspapers, pamphlets; helping needy students through payment of fees, donation for building/development of school in tribal areas of the state of Madhya Pradesh.

We also regularly undertake blood donation camps, as well as sponsorship of national and international chess events in order to promote the game.

# Five Year Financial Summary

(₹ in lacs)

Sr. No.	Item	CONSOLIDATED				
		Based on Revised Schedule VI				Based on Old Schedule VI
		FY 2013-14	FY 2012-13	FY 2011-12	FY 2010-11	FY 2009-10
a)	Total Revenue	57,975	66,958	98,121	94,240	98,818
b)	Profit before tax (PBT)	3,902	13,165	20,114	23,856	19,619
c)	Profit after tax (PAT)	1,623	7,255	6,876	16,808	14,061
d)	Minority Interest	0	130	1,267	2,702	575
e)	PAT (after Minority Interest)	1,623	7,124	5,609	14,106	13,486
f)	PBT Margin (%)	6.73	19.66	20.50	25.31	19.85
g)	PAT (After Minority Interest) Margin (%)	2.80	10.64	5.72	14.97	13.65
h)	EPS (in ₹)* (Face Value - ₹ 5 per share)	0.37	1.64	1.29	3.40	3.52
i)	Net Worth	2,77,960	2,72,453	2,66,933	2,62,086	2,29,213
j)	Current Ratio	2.2	2.0	2.2	2.2	3.8
k)	Debt Equity Ratio	0.90	0.74	0.64	0.63	0.71

\*Adjusted pursuant to split / sub-division of equity shares.

# Corporate Information

## BOARD OF DIRECTORS

Shri Pradeep Kumar Jain

*Chairman*

Shri Sanjeev Kumar Jain

*Managing Director & Chief Executive Officer*

Dr. Rajeev Jain

*Director (Marketing)*

Shri Ashok Kumar

*Director (Independent)*

Shri Ramdas Janardhana Kamath

*Director (Independent)*

Dr. Pritam Singh

*Director (Independent)*

## SR. VICE PRESIDENT (LEGAL) & COMPANY SECRETARY

Shri V. Mohan

## AUDITORS

M/s Deloitte Haskins & Sells

Chartered Accountants,

7th Floor, Building No. 10, Tower B,

DLF Cyber City Complex,

DLF City, Phase-II, Gurgaon - 122 002

## REGISTRAR & SHARE TRANSFER AGENT

M/s Link Intime India Pvt. Ltd.

44, Community Center,

2nd Floor, Naraina Industrial Area,

Phase-I, New Delhi - 110 028.

## SHARES LISTED AT

National Stock Exchange of India Limited (NSE)

BSE Limited (BSE)

Delhi Stock Exchange Limited (DSE)

## REGISTERED OFFICE

Parsvnath Metro Tower,  
Near Shahdara Metro Station,  
Shahdara, Delhi - 110 032.

CIN: L45201DL1990PLC040945

Phone No: 011-43010500, 011-43050100

Fax No: 011-43050473

E-mail Address : investors@parsvnath.com

Website: www.parsvnath.com

## CORPORATE OFFICE

6th Floor, Arunachal Building,  
19, Barakhamba Road,  
New Delhi - 110 001.

## BANK & FINANCIAL INSTITUTIONS

Axis Bank Ltd.

Bank of India

Canara Bank

Central Bank of India

HDFC Bank Ltd.

ICICI Bank Ltd.

IDBI Bank Ltd.

IFCI Factors Ltd.

IFCI Venture Capital Funds Ltd.

Indiabulls Housing Finance Ltd.

IndusInd Bank Ltd.

Karnataka Bank Ltd.

Kotak Mahindra Bank Ltd.

Life Insurance Corporation of India

Oriental Bank of Commerce

Punjab National Bank

Ratnakar Bank Ltd.

Small Industries Development Bank of India

State Bank of India

State Bank of Mysore

State Bank of Patiala

Syndicate Bank

UCO Bank

# Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 23<sup>rd</sup> Annual Report, together with the Audited Financial Statements of the Company for the financial year ended March 31, 2014.

## FINANCIAL RESULTS

(₹ in Lacs)

Item	Standalone	
	FY 2013-14	FY 2012-13
<b>Total Revenue</b>	<b>46,830.54</b>	<b>49,612.79</b>
<b>Profit before Depreciation and Tax (PBDT)</b>	<b>5,800.84</b>	<b>14,317.92</b>
Less: Depreciation	1,242.76	1,162.47
<b>Profit Before Tax (PBT)</b>	<b>4,558.08</b>	<b>13,155.45</b>
Less: Provision for Taxation	2,218.93	5,788.08
<b>Profit After Tax (PAT)</b>	<b>2,339.15</b>	<b>7,367.37</b>
Add: Balance brought forward	91,864.81	68,711.44
Transferred from Debenture Redemption Reserve	2,000.00	15,786.00
Less: Appropriations	-	-
<b>Amount available for Appropriation</b>	<b>96,203.96</b>	<b>91,864.81</b>

## DIVIDEND

Your Directors have, with a view to conserve the resources for the operations of the Company, not recommended any dividend for the year under review.

## REVIEW OF OPERATIONS

During the year under review, on consolidated basis, your Company's Net Profit is ₹ 1,622.72 lacs as against ₹ 7,124.47 lacs in Fiscal 2012-2013. The total revenue is ₹ 57,974.88 lacs in Fiscal 2013-2014 as against ₹ 66,957.66 lacs in Fiscal 2012-2013. The Profit before tax is ₹ 3,902.35 lacs as against ₹ 13,164.66 lacs in Fiscal 2012-2013. Earnings per Share (EPS) of the Company stood at ₹ 0.37 in Fiscal 2013-2014 as against ₹ 1.64 in Fiscal 2012-2013. On stand-alone basis, EPS of the Company stood at ₹ 0.54 in Fiscal 2013-2014 as against ₹ 1.69 in Fiscal 2012-2013.

A detailed business-wise review of the operations of the Company is included in the Management Discussion and Analysis section of this Annual Report.

## MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report, forming part of Directors' Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is discussed in a separate section of this Annual Report.

## SUBSIDIARIES, JOINT VENTURE ENTITIES AND ASSOCIATE COMPANIES

At the beginning of the year, your Company had fifteen subsidiary companies. The project-specific or sector-specific subsidiary companies ensure maximum utilization of available resources through focused attention on specific activities.

During the year under review:

- Consequent upon disinvestment of equity shares of Parsvnath Retail Ltd. (PRL) by the Company, PRL has ceased to be a subsidiary company;
- Pursuant to acquisition of securities of Parsvnath Hessa Developers Pvt. Ltd. (PHDPL) by the Company from foreign investors, PHDPL has become a wholly owned subsidiary company;
- Upon notification of revised definition of subsidiary company under Section 2 of the Companies Act, 2013, Parsvnath Rail Land Project Pvt. Ltd. (PRLPPL) no longer falls under the ambit of a subsidiary company. Further, Parsvnath Buildwell Pvt. Ltd. (PBPL) and Parsvnath Realcon Pvt. Ltd. (subsidiary of PBPL) have become subsidiary companies in terms of the revised definition.

As required under the Listing Agreement with the Stock Exchanges, the Consolidated Financial Statements, of the Company and all its subsidiaries, are attached. The Consolidated Financial Statements have been prepared in accordance with the relevant Accounting Standards as prescribed under Section 211(3C) of the Companies Act, 1956 ("Act"). These financial statements disclose the assets, liabilities, income, expenses and other details of the Company, its subsidiaries and associate companies.

Pursuant to the provisions of Section 212(8) of the Act, the Ministry of Corporate Affairs has, vide General Circular No. 2/2011 dated February 08, 2011, granted general exemption for not attaching the annual accounts of the subsidiary companies with the annual accounts of holding company.

Accordingly, the Board of Directors of your Company at its meeting held on May 28, 2014 has given its consent, for not attaching the Annual Accounts of the subsidiary companies with that of the holding company and therefore, the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies required to be attached under Section 212(1) of the Act to the Balance Sheet of the Company, shall not be attached. However, a statement containing brief financial details of the Company's subsidiaries for the financial year ended March 31, 2014 is included in the Annual Report. The annual accounts of these subsidiaries and the related detailed information will be made available to

any Shareholder of the Company/its subsidiaries seeking such information at any point of time and will also be kept open for inspection by any Shareholder of the Company/its subsidiaries at the registered office of the Company and that of the respective subsidiary companies between 11.00 a.m. and 1.00 p.m. on all working days. The Company shall furnish a copy of detailed annual accounts of subsidiaries to any Shareholder on demand.

## DEBENTURES

During the year under review, the Company has:

- fully redeemed Series VIII & XI secured redeemable non-convertible debentures aggregating to ₹ 1,488.51 lacs outstanding at the beginning of the year and ₹ 12,500.00 lacs respectively.
- raised funds to the tune of ₹ 6,000 lacs through issue of Series XII & Series XIII secured freely transferable and Non Convertible Debentures (NCDs) of the face value of ₹ 1 lac each aggregating to ₹ 300 lacs & ₹ 5,700 lacs respectively, on private placement basis.

Subsequent to year end, the Company has redeemed first instalment of Series XII & XIII NCDs aggregating to ₹ 857.14 lacs.

## FIXED DEPOSITS

During the year under review, the Company continued to accept public deposits. As on March 31, 2014, the Company had fixed deposits to the tune of ₹ 1,645.52 lacs. The Company has no overdue deposits other than unclaimed deposits amounting to ₹ 25.54 lacs pertaining to 59 depositors as on March 31, 2014 and out of above 33 depositors having deposits aggregating to ₹ 17.69 lacs have subsequently claimed refund of their deposits. The Company has no over-due deposits in respect of any small depositors other than unclaimed deposits. Subsequent to year end, the Company has stopped accepting/ renewing fixed deposits with effect from April 01, 2014 after commencement of the Companies Act, 2013.

## DIRECTORS

During the year under review, Shri Ram Niwas Lakhota, Independent Director, had resigned from the Board of Directors of the Company with effect from August 14, 2013. The Board places on record its appreciation for the valuable guidance and services rendered by him.

In accordance with the provisions of Section 149 of the Companies Act, 2013, your Board of Directors are seeking the appointment of Shri Ramdas Janardhana Kamath, Shri Ashok Kumar and Dr. Pritam Singh, as Independent Directors for a term of 5 (five) consecutive years with effect from September 23, 2014 to September 22, 2019.

The Company has received the requisite disclosures/declarations

from Shri Ramdas Janardhana Kamath, Shri Ashok Kumar and Dr. Pritam Singh as required under Section 149 and other applicable provisions of the Companies Act, 2013.

In accordance with the applicable provisions of the Companies Act, 2013 read with the Articles of Association of the Company, Dr. Rajeev Jain, Director of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The Notice convening the ensuing Annual General Meeting includes the proposal for appointment/ re-appointment of the Directors. Brief Resumes of the Directors proposed to be appointed/ re- appointed, as required under Clause 49 of the Listing Agreement, are furnished in the explanatory statement to the Notice convening the ensuing Annual General Meeting.

## Board Committees

During the year under review and period subsequent thereto:

- The Board of Directors has re-constituted the Shareholders'/ Investors' Grievance Committee consequent upon resignation of Shri Ram Niwas Lakhota. Also, the scope has been enhanced and the Committee has been renamed as the Stakeholders Relationship Committee with effect from May 28, 2014.
- Scope of the Remuneration Committee has been enhanced and the Committee has been renamed as the Nomination and Remuneration Committee with effect from May 28, 2014.
- Scope of Audit Committee has been enhanced as per the provisions of the Companies Act, 2013 and amended clause 49 of the Listing Agreement with the Stock Exchanges.
- The Board of Directors, at its meeting held on May 28, 2014, had constituted a Corporate Social Responsibility (CSR) Committee comprising Shri Pradeep Kumar Jain, Chairman, Shri Sanjeev Kumar Jain, Managing Director & CEO and Shri Ashok Kumar, Non-Executive Independent Director and Chairman of the CSR Committee. The composition and terms of reference of the Committee is in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the relevant rules framed thereunder. It is entrusted with the responsibility of formulating and monitoring the Corporate Social Responsibility Policy of the Company indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

A detailed note on the Committees of the Board of Directors is given in the Corporate Governance Report forming part of the Annual Report.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors, based on the representation received from the Operating Management, confirm that:

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

### **INTERNAL CONTROL AND INTERNAL AUDIT**

The Company has in place well-defined internal control mechanism and comprehensive internal audit programmes with the activities of the entire organisation under its ambit. The internal audit programme is reviewed and approved by the Audit Committee at the beginning of each financial year and progress reports are placed before the Committee on a quarterly basis.

### **AUDIT RECOMMENDATIONS**

During the period under review, the suggestions put forth by the Audit Committee were duly considered and accepted by the Board of Directors. There were no instances of non-acceptance of such recommendations.

### **AUDITORS**

M/s Deloitte Haskins & Sells (Deloitte), Chartered Accountants (Firm Registration No. 015125N), Statutory Auditors of the Company, shall retire at the conclusion of the ensuing Annual General Meeting (AGM) and are eligible for re-appointment. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to appoint Deloitte as Statutory Auditors of the Company from the conclusion of the forthcoming AGM till the conclusion of the next AGM.

As required under Section 139 of the Companies Act, 2013, the Company has obtained a written consent from Deloitte, to such appointment and also a certificate to the effect that their appointment, if made, would be in accordance with Section 139(1) of the Companies Act, 2013 and the rules made thereunder, as may be applicable

### **AUDITORS' REPORT**

- A. There is no qualification in the Auditors' Report on the Stand-alone Financial Statements of the Company for the financial year ended March 31, 2014.

The Auditors in their report to the Members have, however, stated an "Emphasis of Matter" and made certain observations in clauses (x)a and (xi) of the Annexure referred to in their Report and the response of your Directors is as follows:-

"The delays caused in making timely payment of principal and interest on its borrowings and discharge of its statutory liabilities have been due to recession in the real estate industry owing to slowdown in demand. The Company is also facing lack of adequate sources of finance to fund development of its real estate projects resulting in delayed realisations from its customers and lower availability of funds to discharge its liabilities. The Company is exploring alternative sources of finance, including sale of non-core assets to generate adequate cash inflows for meeting these obligations and to overcome this temporary liquidity shortage and is hopeful that these efforts will yield fruitful results."

- B. The Auditors' Report on the Consolidated Financial Statements of the Company for the financial year ended March 31, 2014 has been qualified on the following basis:

"The consolidated financial statements include the unaudited financial statements of one subsidiary and one jointly controlled entity (Previous year ended 31st March, 2013: Nil), whose financial statements reflect total assets of ₹ 19,087.53 lacs as at 31st March, 2014, total revenue of ₹ 3,951.74 lacs and net cash flows amounting to ₹ 71.85 lacs for the year ended on that date, as considered in the consolidated financial statements. Our opinion, in so far as it relates to the amounts included in respect of the subsidiary and jointly controlled entity, is based solely on such unaudited financial statements."

The qualification is appearing since the financial statements of Parsvnath Buildwell Private Limited, subsidiary company and Palakkad Infrastructure Private Limited, jointly controlled entity have been consolidated on the basis of unaudited financial statements.

### **COST AUDITORS**

The Company has appointed M/s Chandra Wadhwa & Company, Cost Accountants, as Cost Auditors for conducting the audit of cost records of the Company for the Financial Year 2014-15.

### **SECRETARIAL AUDITORS**

The Board of Directors of the Company appointed M/s Chandrasekaran Associates, Company Secretaries, to conduct the

Secretarial Audit of the Company for the Financial Year 2014-15.

### **CORPORATE GOVERNANCE**

A separate section on Corporate Governance, forming part of the Directors' Report and the Certificate from the Company's Auditors confirming compliance of Corporate Governance norms, as prescribed under Clause 49 of the Listing Agreement, are included in the Annual Report.

#### **Code of Conduct**

As prescribed under Clause 49 of the Listing Agreement, a declaration signed by the Managing Director & CEO affirming compliance with the Code of Conduct by the Directors and senior management personnel of the Company for the financial year 2013-14 is annexed and forms part of Corporate Governance Report.

### **LISTING WITH STOCK EXCHANGES**

During the year under review, the equity shares of the Company continue to remain listed with the National Stock Exchange of India Limited (NSE), BSE Limited (BSE) and Delhi Stock Exchange Limited (DSE). The listing fee for the financial year 2014-15 has been paid by the Company to NSE and BSE. The Equity Shares of the Company continue to be included in the list of CNX Nifty 500 index of NSE.

The Board of Directors at its meeting held on August 12, 2014 has decided to get the equity shares of the Company delisted from DSE.

### **TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND**

The Company has, during the year under review, transferred a sum of ₹ 18.49 lacs to Investor Education and Protection Fund (IEPF), in compliance with the provisions of Section 205C of the Companies Act, 1956. The said amount represents application money received by the Company with respect to its Initial Public Offer in the financial year 2006-07, which remained unclaimed by the members of the Company for a period exceeding 7 years from its due date of payment.

During the financial year 2014-15, the dividend declared by the Company for financial year 2006-07, remaining unclaimed in terms of Section 205C of the Companies Act, 1956 is being transferred to IEPF. The applicants are entitled to claim the unclaimed dividend amount for financial year 2007-08 before transfer of the amount to the said Fund. The details of such unclaimed money together with the procedure for claiming the same has been detailed in the Corporate Governance Report and the Notice convening the Annual General Meeting forming part of the Annual Report.

### **DISCLOSURES**

#### **1. Conservation of energy, technology absorption, foreign exchange earnings and outgo**

The nature of operations of the Company does not require disclosure of particulars relating to conservation of energy and technology absorption, as prescribed under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988. During the year under review, the Company has nil foreign exchange earnings and has incurred expenditure of ₹ 254.22 lacs, as compared to nil foreign exchange earnings and expenditure of ₹ 105.50 lacs in the previous year respectively.

#### **2. Particulars of Employees**

The statement showing particulars of the employees of the Company, to be furnished under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, is annexed hereto and forms part of this report.

### **CORPORATE SOCIAL RESPONSIBILITY**

The Company is a responsible corporate citizen and is conscientiously working towards fulfilling its Corporate Social Responsibility (CSR). A separate section on CSR forms part of the Annual Report.

### **ACKNOWLEDGEMENT**

Your Directors wish to place on record their sincere gratitude to the shareholders, customers, bankers, financial institutions, investors, vendors and all other business associates for the continuous support provided by them to the Company and for the confidence in the management of the Company. Your Directors wish to appreciate the confidence reposed by the foreign investors in the Company, by inducting funds for implementation of various ongoing projects of the Company through investment in our SPV Companies.

The Directors also wish to acknowledge the contribution made by employees at all levels for steering the growth of the organisation. We thank the Government of India, the State Governments and other Government Agencies for their assistance and cooperation and look forward to their continued support in future.

**On behalf of the Board of Directors**

Place: New Delhi  
Date: August 12, 2014

Sd/-  
**PRADEEP KUMAR JAIN**  
Chairman

**ANNEXURE TO THE DIRECTORS' REPORT**

**PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 217 (2A) OF THE COMPANIES ACT, 1956 READ WITH THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975**

**Employed throughout the year and was in receipt of remuneration aggregating ₹ 60,00,000/- or more per annum.**

S. No.	Name	Designation / Nature of Duties	Qualifications	Remuneration (₹/ lacs)	Experience (Years)	Date of Joining	Age (Years)	Last Employment Held		Number & % of shares held in the Company as at March 31, 2014	
								Employer	Designation	Number	%
1	Shri Pradeep Kumar Jain	Chairman	Graduate	360.79	28	1-Jan-02	49	Parasnath And Associates Pvt. Ltd.	Director	15,87,06,127	36.469
2	Shri Sanjeev Kumar Jain	Managing Director & CEO	B.E. (Civil)	132.40	22	1-Feb-02	44	Parasnath And Associates Pvt. Ltd.	Director	21,600	0.005
3	Dr. Rajeev Jain	Director (Marketing)	M.B.B.S.	96.40	16	1-Jan-02	41	Indraprastha Apollo Hospital	Resident Doctor	16,000	0.004
4	Shri Prehlad Kumar Jain	President	B.E.(Civil)	76.00	44	27-Sep-04	64	IDEB Constructions Pvt. Ltd.	Executive Director	8,266	0.002
5	Shri Pawan Kumar Gupta	President	B.Com., C.A.	76.00	24	11-May-06	49	Own Business	Proprietor	-	-

**Notes :**

1. None of the employees is a relative of any Director except Shri Pradeep Kumar Jain, Shri Sanjeev Kumar Jain and Dr. Rajeev Jain, who are related to each other as brothers.
2. Number of shares held by Shri Pradeep Kumar Jain includes shares held by Mrs. Nutan Jain, wife of Shri Pradeep Kumar Jain.
3. Remuneration includes salary, allowances and monetary value of all perquisites as valued under the Income Tax Rules, 1962.
4. The remuneration does not include leave encashment, gratuity and other retirement benefits.
5. The nature of duties of Chairman and Managing Director includes management of day to day operations/ affairs of the Company, subject to superintendence, direction and control of the Board of Directors. Presidents of the Company oversee the projects undertaken by the Company and other business opportunities in the territories assigned to them by the management of the Company.
6. The nature of employment in all cases is on contractual basis except in case of Directors, whose terms have been approved by the shareholders. Other terms and conditions of employment are as per Company policy.
7. All the employees have adequate experience to discharge the responsibilities assigned to them and their designations are indicative of their nature of duties.

# Management Discussion & Analysis

## I. GLOBAL ECONOMY

Global economic activity picked up in the second half of 2013, with much of the growth led by advanced economies. However, the global recovery remains uneven and below par. Low inflation, pending financial sector reforms, high debt levels in many countries, high unemployment, new geopolitical uncertainties and concerns about emerging economies are some of the key challenges facing global economic recovery. As per the International Monetary Fund (IMF) World Economic Outlook, April 2014, global growth has been forecasted to average at 3.6% in 2014, up from 3% in the previous year.

Global growth is expected to improve further in 2014-15, and as per IMF estimates, world GDP growth is expected to increase to 3.9% in 2015, largely driven by the advanced economies where growth is expected to increase from 1.3% in 2013 to 2.2% in 2014 and 2.3% in 2015.

Within advanced economies, growth is likely to be strongest in the US at about 2.8% in 2014, driven by supportive monetary conditions and lower impact on account of fiscal consolidation. Growth in the Euro region is likely to be varied, with the core Euro countries expected to register stronger growth. Emerging markets and developing economies are expected to record moderate growth, with the IMF predicting the growth to increase from 4.7% in 2013 to 4.9% in 2014 and 5.3% in 2015.

## II. INDIAN ECONOMY AND INDUSTRY OVERVIEW

Amid global uncertainty, FY 2014 proved to be another challenging year for the Indian economy. Economic activity was more subdued than expected, compounded by volatility in currency and interest rate markets. This, along with threat of a sovereign downgrade by rating agencies and global headwinds, impacted business sentiments and resulted in muted GDP growth. For the second year in succession, annual GDP was sub 5% (4.7%) - amongst the lowest in this decade.

The declining trend in GDP growth is attributable to a protracted slowdown in industry and a moderation in services growth. The revival in agriculture, on the back of a steady monsoon and robust growth in financial and business services, led to a modest uptick in growth in 2013-14.

The silver lining was that by the end of FY 2014, the Indian economy was on a sounder footing than at the beginning of the year. Fiscal and current account have been reined in, foreign exchange reserves increased and the rupee has clawed back from the all time low seen in August 2013. Also, the outcome of the national elections has given a stable government at the Centre, which is expected to strengthen policy and decision making.

The Indian real estate sector is among the fastest growing markets in the world. The key factors responsible for such strong growth in Indian real estate sector are favourable demographics, rapid urbanisation and constantly rising purchasing power of people. Availability of customer friendly housing finance institutions and banks, along with

favourable reforms launched by the government in order to attract foreign investment, are also major drivers of growth in real estate sector. Currently, the investment trend in Indian real estate sector is marked by significant contributions from Non Resident Indians (NRIs). Further, demand for space from sectors such as education and healthcare has opened up ample opportunities in the real estate sector.

The real estate sector comprises four sub-sectors – housing, retail, hospitality, and commercial. While housing contributes to 5-6% of India's gross domestic product (GDP), the remaining three sub-sectors are also growing at a fast pace. The total realty market in the country is expected to touch US\$ 180 billion by 2020. (<http://www.ibef.org/industry/real-estate-india.aspx>)

During most part of the year under review, subdued economic performance of the country, coupled with currency depreciation and volatility as well as high inflation, resulted in low customer/investor sentiment in the real estate sector. While potential home buyers adopted a wait and watch approach, commercial firms contained their current expansion plans to streamline cost. The slow uptick in the sales volume dried up the cash flow of developers, who were already reeling under the high cost of funds and inputs, and delay in approvals.

Real estate demand in the north, when compared with other regions, plummeted the most. The third quarter of the year witnessed the lowest sales volume in 11 quarters. Sales volume plunged by 57% on a Y-o-Y basis, booking only 555,556 sq. mtr. (5.98 mn. sq. ft.) against 1,300,632 sq. mtr. (14 mn. sq. ft.) in Q3FY13. This has compelled most developers in the north to focus on executing on-going projects, reduce debt and divest non-core assets. As against this, characterised by affordably priced residential properties across the city and being an end-user driven market, Bengaluru and Chennai collectively witnessed the highest growth in their market share - from 16% in Q4FY12 to 33% in Q3FY14. (Financial Analysis of The Real Estate Companies, March 2014, Knight & Frank).

As inflation, IIP, imports, CAD, etc. improved since the beginning of the 2014, a cascading effect was seen on the investments in the real estate space. Total investment by private equity (PE) funds in the real estate sector from January-March 2014 stood at approximately ₹ 28 billion (US\$ 465.19 million). This is a substantial increase of 28% compared to the previous quarter, and close to 2.5 times the investments during January-March 2013. (<http://www.ibef.org/industry/real-estate-india.aspx>)

Progressive reforms were initiated in mid-2013 in the form of Real Estate Regulatory (RER) Bill and the new Land Acquisition Act.

The Real Estate Regulation and Development Bill, which seeks greater transparency, will lower the risk for investors (PE investors, banks and mezzanine investors), thus boosting cash inflows into the sector. Uniformity and transparency in laws will increase the sector's attractiveness, which can attract foreign

institutional investors. However, developers are wary about property price hikes owing to increased legislation. For smaller builders, increased disclosure requirements may spike up their costs and augment difficulty in obtaining permits and approvals. This will increase their barriers to market entry. For home buyers, the bill is a welcome relief due to stricter guidelines related to advertisement and brochures created by builders. Provisions for claims compensation arising from misleading statements by developers will improve buyer confidence.

The real estate industry is yet to see the impact of the new Land Acquisition Act, which got applicable from April, 2014.

### III. SEGMENT WISE GROWTH SCENARIO

#### a. Residential Segment

High interest rates and slowdown in economic activity deterred end-users from committing themselves to purchasing housing property. Investors also stayed away from the housing segment because of the prevailing macro environment and uncertainty about the results of the national elections. Thus, demand for residential market was subdued for most part of 2013. Most developers went slow on new launches and instead concentrated on completion of launched projects and sold non-core assets in order to deleverage their balance sheet.

New residential project launches fell 12% in 2013 over 2012. There were an estimated 1,72,500 residential unit launches in 2013 across eight major Indian locations of NCR, Mumbai, Bengaluru, Chennai, Hyderabad, Pune, Kolkata and Ahmedabad. (*Indian Real Estate Sector Handbook, Grant Thornton*)

Notwithstanding the average performance of the real estate industry during most part of 2013, there is a strong reason to believe that demand for the real estate in 2014 is again on an upward trend. The number of new launches in the residential segment during the first quarter of 2014 has increased by 43 per cent at 55,000 units across eight major cities. Bengaluru recorded the largest number of units launched at 16,838 units – an increase of 22%, followed by Mumbai and Chennai, according to a report by Cushman & Wakefield.

#### **Demand Dynamics of the Residential Segment**

The residential segment, which contributes about 80% to the real estate sector, is expected to grow significantly over the next few decades. It is estimated that Indian cities would need to develop at least 45-50 million housing units by 2028 to meet the demands of the growing population. This would include affordable housing (85-90% of the total residential development by 2028, i.e. about 40-45 million housing units), mid-income housing (7% of total housing demand till 2028, i.e. about 3-3.5 million homes) and luxury segment (1.5 million homes by 2028) (*Indian Real Estate-Opening Doors, KPMG Report*).

The following are the growth drivers for the rise in demand for residential housing:

#### **Rapid Urbanisation**

The rise in population and migration from rural to urban areas has led to an increase in the demand for houses in the urban areas, especially in the mid-end category. Cushman and Wakefield Research has projected that demand for urban housing will scale up by nearly 12 mn. units by 2017, based on the growth in population alone. Around 23% of this total demand will be generated by the top eight cities of India. By 2021, the urban population is expected to increase to nearly 500 mn., about 35% of the total population of India.

#### **Rich Demographic Dividend**

The Proportion of working - age population in India is likely to reach over 64% by 2021 from around 58% in 2001, with a large number of young persons in the 20-35 age group. This young demographic structure leads to increase in incomes in families and also in the number of nuclear families, driving the demand for housing in the coming years.

#### **Customer Friendly Policies**

The large number of tax benefits for consumers and housing loan borrowers, announced in the recent budget, are expected to provide the much needed demand stimuli to the real estate industry. Tax exemption limit has been raised by 25% at a time when the country is recovering from a sustained period of high inflation. Such measures will help increase household savings. Residential units are among the preferred investment options of Indians households and as incomes rise, there is an increasing trend of investing money in second homes. Additionally, the tax exemption limit on home loan interest has been increased by 33%. Increased savings, coupled with an increased tax benefit, will go a long way in motivating home buyers who have been reeling under the regime of high inflation and high interest rates.

#### **FDI in real estate**

The real estate sector has attracted several global firms since the sector was opened to FDI in 2005. With the relaxation of FDI norms in real estate, the participation is expected to improve further.

Recently, in the budget, a big impetus was provided to attract FDI and bring in expertise to set-up new townships and communities. Project size requirement has been reduced from 50,000 sq.m to 20,000 sq.m and minimum capitalization for FDI now stands at USD 5 million from USD 10 million earlier. This will help boost urbanization, especially in tier II and tier III cities which were earlier struggling to develop such large projects, and where developers were hesitant to take up such risky ventures.

**b. Commercial Segment**

The commercial real estate market is primarily dependent on the growth in services (IT/ITeS and BFSI) and industrial (logistics, warehouse and manufacturing) sectors of the economy. Slowdown in industrial and services sectors had their cascading impact on the demand for commercial real estate. According to a study by Cushman & Wakefield, net office space absorption in the top eight Indian locations of Delhi NCR, Mumbai, Bengaluru, Chennai, Hyderabad, Pune, Kolkata and Ahmedabad witnessed a steep decline of 25% over the previous year. Net office space absorption in 2013 stood at 2,136,752 sq. mtr. (23 mn. sq. ft.). Mumbai and Bengaluru were the top cities in terms of net office space absorption at 436,641 sq. mtr. (4.7 mn. sq. ft.) and 427,350 sq. mtr. (4.6 mn. sq. ft.), respectively. Most cities witnessed a decline in the range of 20–40%.

Total supply of commercial office space in 2013 stood at 3,158,677 sq. mtr. (34 mn. sq. ft.), a decline of 14% over 2012. Office space vacancy stood at 19.4%, an increase of 0.9% from the previous year. Leasing activity also witnessed a marginal decline of 2% in 2013 over the year ago.

As with residential real estate sector, the year 2014 has unfolded on a positive note for the commercial sector as well. The net office space absorption across the top eight cities – Delhi-NCR, Mumbai, Bengaluru, Chennai, Hyderabad, Pune, Kolkata and Ahmedabad – was up 58% during January–March 2014, as compared to the corresponding period last year, according to real estate consultancy firm Cushman & Wakefield. Among the eight cities, Ahmedabad and Delhi-NCR recorded a threefold increase in net absorption during the period over January–March 2013.

**Demand Dynamics of Commercial Real Estate**

According to Nasscom, the revenue from IT/ITeS sector is expected to reach USD 300 billion by 2020. The number of employees in the sector is expected to increase by 2.4 million to reach 5.1 million by 2022. These strong numbers indicate that in the years to come, IT/ITeS sector, which is already the major occupier of office space absorbing 52% of new office space, shall be a major driver for increasing demand of office space.

The BFSI sector is the second largest office occupier in India, occupying about 16% of total office space. Between 2012 and 2017, the banking sector is expected to experience a CAGR of 20% in their deposits, while insurance sectors may witness a CAGR of 9.5% in their premium collection. As per the Planning Commission, the BFSI sector workforce is expected to increase by 8.5 million between 2012 and 2020. This expected exponential growth of the BFSI sector will increase the demand for high quality commercial property.

**c. Retail Sector**

Changing lifestyles, increased disposable incomes, younger demographic structure and a growing preference for branded products has changed the growth dynamics of the Indian retail sector. Further, Indian consumers no longer see retail places as only places to shop, rather as public congregational places for food, entertainment and shopping under one roof. As India's retail industry aggressively expands itself, the demand for real estate is getting a major boost not just in major cities and metros, but also in Tier II and Tier III cities. Also, the decision to permit 51% FDI in multi brand and 100% in single brand retail is likely to have a significant bearing on leasing activity.

According to real estate services firm Cushman and Wakefield, India witnessed 39% increase in retail space in shopping malls during 2013. Retail space in malls increased by 426,421 sq. mtr. (4.59 mn. sq. ft.) in eight Indian cities, despite delay in the completion of 18 malls. The liquidity crunch has been primarily responsible for the delay in most projects.

Maximum space addition was recorded in Chennai, followed by Mumbai, Pune and Kolkata. There was no addition in mall space in Delhi-NCR, Bengaluru and Ahmedabad. Due to an increase in leasing activities in the newly constructed malls, vacancy declined by 2%.

**Demand Dynamics of Retail Real Estate**

As per a report by KPMG, retailing in India is expected to increase at a CAGR of 8% from USD 518 billion in 2012 to USD 957 billion by 2020. The organized retail is expected to increase from USD 41 billion to USD 191 billion during the same period. On an average, a large retail set-up generates revenue of about USD 410-430 per sq. ft. Assuming a revenue of USD 450-500 per sq. ft. for a large retail store set up in India, the total demand for organized retail space by 2020 could possibly reach 275-300 million sq. ft.

Also, retailers are showing a clear preference for upcoming retail projects that offer not only a good location, but have been optimised in terms of design and trade and tenant mix. This has made major mall developers formulate an optimal tenant mix to ensure maximum utilisation of retail space.

**d. Hospitality Sector**

Corporate travellers are the key demand drivers for hotels as they account for around 60% of guests, according to the Federation of Hotel & Restaurant Associations of India's survey of 2012-2013. Weak macro-economic conditions in the first nine months of 2013-14 led to a muted growth in business travellers and foreign tourist arrivals.

As per a report by India Ratings & Research, profitability

of hotel companies declined by 100bp-300bp (1%-3%) in the first nine months of 2013-14 primarily due to inflationary pressures driven by higher food and fuel costs, and inability of companies to pass on such pressures due to weak demand.

Muted revenue growth of hotel companies, with stagnated profitability and elevated credit risk, is expected to continue in 2014-15, driven by lower demand growth and supply-side pressures, as per the same report. The agency expects that profitability for major companies will remain stagnant at around 20%, as the demand slowdown has stressed occupancy and average room rate (ARRs) across major cities, limiting the ability of hotel companies to pass on an increase in input costs. However, the outlook is better for non-premium and budget hotels as they cater to domestic travellers - a segment which has continued to grow strongly despite the slowdown.

**e. Special Economic Zones**

SEZs have been set up with the aim to increase trade, investment, job creation and effective administration.

The growth in SEZ exports fell from a high of 115% in 2009-10 to minus 6% in 2013-14. Also, of the total area of 47,804 hectares in 408 notified SEZs, around 44.5%, or 21,310 hectares, is lying vacant in the processing area (area meant to accommodate units producing goods or offering services) as of January 2014. Another worrying fact is that of the 566 SEZs that have got formal approval, only 185 are operational. (<http://www.financialexpress.com/news/india-s-sez-experiment/1263076>)

In the recent budget, the new government has emphasised on strengthening and revival of the Special Economic Zone (SEZ). Concerted efforts in this direction will not only revive the investors' interest to develop better infrastructure but also make the SEZs effective instruments for employment generation, industrial production and export promotion, leading to economic growth.

**IV SECTOR OUTLOOK**

The slew of measures announced by Finance Minister Mr. Arun Jaitley include the proposal to provide a conducive tax regime for the investors by setting up Infrastructural Investment Trusts (InvITs) and Real Estate Investments (REITs) in accordance with the regulations of the Securities and Exchange Board of India (SEBI). This will help ease the liquidity crunch that the sector is battling, and simultaneously promote large-scale investments in the infrastructural sector. Also, the tax exemption measures announced will boost household savings, leading to a revival in demand for real estate. Thus, recent policy-based efforts and progressive reforms initiated in mid-2013 in the form of Real Estate Regulatory (RER) Bill and new Land Acquisition Act will collectively make the real estate sector more transparent and

appealing for developers, investors and buyers.

Economic and political stability are the vital catalysts for revival of the real estate sector in India. A stable government at the helm, prospects of revival in GDP growth and strong expectations regarding the introduction of developer and buyer friendly policies, indicate a promising outlook for the real estate sector in 2014.

**V. COMPANY OVERVIEW**

Parsvnath Group, with 30 years of experience in real estate industry, is present across all verticals of the realty segment and has completed 55 projects across the country. The Company has also built a strong presence in the integrated infrastructure segment. It is currently working on 49 projects with a total area of 6,638,486 sq. mtr. (71.46 mn. sq. ft.). The Company's business portfolio includes residential properties, commercial (office and retail), DMRC Projects, Hotels, SEZs, IT Parks and third party construction.

The Company reported consolidated revenues of ₹ 561 crore for the financial year ended March 31, 2014. Profit before Tax stood at ₹ 39 crore. EBIDTA and EBIDTA margins stood at ₹ 227 crore and 40% respectively for the year under review.

**Operational Highlights**

- Received bookings for 224,337 sq. mtr. (2.41 mn. sq. ft.) which comprises 113,648 sq. mtr. (1.22 mn. sq. ft.) of residential group housing, 105,743 sq.mtr. (1.14 mn. sq. ft.) of residential plots and 4,944 sq. mtr. (0.05 mn. sq. ft.) of commercial property.
- Offered possession of 367,525 sq.mtr. (3.96 mn. sq. ft.), which comprises 31,115 sq. mtr. (0.34 mn. sq. ft.) of residential group housing, 331,372 sq. mtr. (3.57 mn. sq. ft.) of residential plots and 5,037 sq. mtr. (0.05 mn. sq. ft.) of commercial property.
- Introduced the innovative '25:75 House of Happiness' Scheme, wherein buyers had the option of paying most of the total cost, i.e. 75%, on offer of possession. The scheme received an overwhelming response in the market.
- Made the third installment payment of ₹ 500.86 crore to Rail Land Development Authority (RLDA) for Sarai Rohilla land. Thus, an aggregate amount of ₹ 1166 crore has been paid by the Company through its SPV, viz. Parsvnath Rail Land Project Private Limited, a Special Purpose Company incorporated for development of the said project.
- Master plan of integrated township project in Sohna, Gurgaon has been notified by the Haryana Government.
- Letter of Intent (LOI) received for 12.377 Hectares (30.572 Acres) of Land for Karnal Township at Karnal, Haryana.
- Letter of Intent received for 13.43 Hectares (33.162 Acres) land in Kurukshetra Township.

- Kochi SEZ notified by the Ministry of Commerce and Industry for an area of 17.07 Hectares (42.18 Acres) to set up IT & ITes SEZ.

#### **Awards and Accolades**

- Chairman has been awarded for being "Realty Giant of North India".
- Our Ultra-Luxury project 'La-Tropicana', New Delhi, has received the 'Most Promising Project of North India 2014-15' by Estate Avenue Real Estate Awards.
- Our innovative marketing scheme 'House of Happiness' received 'Innovative Real Estate Marketing Campaign of Year' award from ABP News.
- Company has received following awards:
  - MERIT AWARD in the Category – "Emerging Markets –Property Valuation" from Asia Pacific Real Estate Association Limited (APREA) Singapore, in recognition of its commitment to enhancing the transparency and comparability of public real estate markets in the Asia Pacific region.
  - "Best Developer of Delhi NCR" from Estate Avenue Awards
  - "Realty King Marketeer of the Year 2014",
- Our Project Parsvnath Planet, Lucknow, has received Special Recognition under best, "50% Complete Residential project" under Mid-segment.
- Credit Analysis & Research Ltd (CARE) has reaffirmed the Real-Estate Project Star Rating of NCR-6 Star to Red Fort Capital Parsvnath Tower, Bhai Veer Singh Marg, New Delhi.

#### **Projects Update**

##### **Red Fort Capital Parsvnath Tower, Bhai Veer Singh Marg, New Delhi**

- The 1.943 Hectares (4.8 acres) of land was acquired from Delhi Metro Rail Corporation in the tendering process on BOT basis for 30 years.
- Red Fort Capital is the FDI partner in this project and the construction contract was awarded to L&T Ltd.
- This is an eco-friendly green building.
- The Part A of the building has been completed in a record period of 30 months and we have received the Occupancy Certificate.
- The total leasable area is 26,400 sq. mtr. (0.28 mn. sq. ft.), of which Part A consists of 20,592 sq. mtr. (0.22 mn. sq. ft.) and Part B consists of 5,760 sq. mtr. (0.06 mn. sq. ft.).
- The leasing of Part A has started.

##### **Residential Project at Sarai Rohilla, Delhi**

- Acquired 15.28 Hectares (37.73 acres) of land from Railway Land Development Authority (RLDA) through a bidding process for ₹ 1,651.51 Crore for Residential Housing Development.

- Development Agreement has been signed with RLDA.
- Red Fort Capital is the FDI partner for the project.
- A world-class air-conditioned luxury residential apartments will be developed with a total saleable area of 3,79,700 sq. mtr. (4.09 mn. sq. ft.).
- M/s Callison LLC of USA has been appointed as an architect for the project.
- The amount paid by Parsvnath Rail Land Project Private Limited to RLDA till date is ₹ 1,166 Crore .

##### **'Parsvnath 27', KG Marg, New Delhi**

- Free hold property spread over 0.479 Hectare (1.185 acres) of area on KG Marg, adjacent to Connaught Place in Lutyens Delhi.
- A world-class centrally air-conditioned commercial complex with 100% power back-up and with more than 200 fully automated car parking is to be developed.
- The building will be an eco-friendly green building.
- Total saleable area of 12,000 sq. mtr. (0.13 mn. sq. ft.)
- All approvals are in place.

#### **SWOT Analysis**

##### **Strengths**

- Executed projects in the real estate arena for about two and a half decades
- Strong presence in all segments of the sector with residential projects, integrated townships, commercial complexes, SEZs, IT parks and third-party contracts
- Pan India presence
- Beyond real estate, income accruals from the DMRC assets
- Focus on fast-moving residential projects
- Expansive land bank and well executed plans
- Clear strategy to deleverage and strengthen Balance Sheet
- Dynamic and solid leadership

##### **Weaknesses**

- Exposure to interest rate fluctuations due to large capital investments
- Projects with long gestation periods

##### **Opportunities**

- Government's thrust on real estate and infrastructure projects
- Large un-met demand in the residential sector
- Demand for commercial space from the fast-growing IT/ITES and BSFI sectors
- Long-term growth in India will result in demand for all segments of real estate

- Emerging interest in real estate as a viable new asset class among investors, especially due to availability of funding
- Increasing popularity of integrated townships and the importance of supporting urban infrastructure
- Promotion of tourism, which drives growth in the hospitality industry
- Implementation of the PPP (Public Private Partnership) model of infrastructure development

#### **Threats**

- Real estate sector has not yet been given 'industry' status, despite its size and backward & forward linkages
- Limited institutional funding options are available for real estate projects
- Volatility in availability of labour could adversely impact meeting of time schedules
- Rising input cost impacts final prices and could subdue demand
- Changes in lending policies by the banking sector could increase the cost of borrowing

## **VI. FUTURE OUTLOOK**

The Company remains committed to the timely delivery of its projects and has drawn up a detailed execution and implementation roadmap, while also engaging reputed and renowned third parties like L & T and IL & FS to expedite construction/ development process. With these strategic efforts of fast-track construction, effective project management and timely delivery, the Company expects to do much better in the ensuing quarters.

Simultaneously, the Company is working towards asset monetization by divesting non-core assets including land, by raising long-term capital to reduce the debt and expediting execution of the projects. To infuse liquidity into the system, the Company aims to develop a portfolio of regular income-yielding assets through a mix of commercial and other segments.

The Company's forte is the high-quality, value for money offerings it provides in the mid-income and affordable segment of the residential housing segment. The demand-supply mismatch in this segment offers immense opportunities of growth in the coming years. By pursuing innovative marketing schemes like the '25:75 House of Happiness Scheme', appealing pricing policy and uncompromising attention to quality and details, the Company is confident that its offerings will stand out as an attractive value proposition in the market and will serve the purpose of regular cash flow, even under tight economic conditions.

The environment of stable governance at the Centre with quick decision-making should foster faster economic growth. The Company also aims to grow more rapidly in line with the

country's growth. The Company's strategic and tactical measures, combined with favourable steps taken by government agencies and authorities for the benefit of reducing liquidity crunch in the real estate sector, makes it confident of securing robust growth.

## **VII. SUBSIDIARIES AND ASSOCIATE COMPANIES**

### ***Parsvnath Infra Ltd. (PIL)***

Parsvnath operates in the SEZ segment through Parsvnath Infra Ltd. (PIL), in which PDL holds 94.87% equity. PIL is currently focussing on an Information Technology SEZ at Kochi, Kerala, and a Bio-technology SEZ at Hyderabad, Andhra Pradesh. The projects are at initial stages.

### ***Parsvnath Landmark Developers Pvt. Ltd. (PLDPL)***

Construction of the premium residential project "La Tropicana" at Civil Lines, Delhi, is in progress. The project is part funded by the J.P. Morgan Group.

### ***Parsvnath Hotels Ltd. (PHL)***

The hotel project at Shirdi is under construction.

### ***Primetime Realtors Pvt. Ltd. (PRPL)***

The Company has received all the requisite approvals for construction of a commercial building on plot of land measuring 0.49 hectares (1.18 acres) situated at 27, Kasturba Gandhi Marg, New Delhi- 110001, owned by PRPL.

### ***Parsvnath Estate Developers Pvt. Ltd. (PEDPL)***

The Company has tied up with Red Fort Capital (RFC), a leading international Private Equity Real Estate firm, to jointly develop "Red Fort Capital Parsvnath Towers", a modern state-of-the-art office-cum-commercial complex of international standards, located adjacent to Connaught Place on Bhai Veer Singh Marg. Construction has been carried out by Larsen & Toubro (L&T), and the building (Part A) is now ready to be leased out to the users.

### ***Parsvnath Promoters and Developers Pvt. Ltd. (PPDPL)***

The residential project near Rani Jhansi Road, Delhi was transferred to Parsvnath Rail Land Project Pvt. Ltd. at the instance of Rail Land Development Authority. The investment made by the foreign investors in this Company is being withdrawn and shall be put into Parsvnath Rail Land Project Private Limited.

### ***Parsvnath Rail Land Project Pvt. Ltd. (PRLPPL)***

Parsvnath Rail Land Project Pvt. Ltd. was incorporated for implementing the residential project near Rani Jhansi Road, Delhi, on land leased by 'Rail Land Development Authority' (RLDA) as a result of a successful bid by your Company. Your Company has tied up with Red Fort Capital Group, international private equity investors, for investment in the project and inked an agreement with two investment companies for setting up the project. During the year ended 31<sup>st</sup> March 2014, PRLPPL

issued non-convertible debentures worth approx. ₹ 244 Crore, which were also listed on the Bombay Stock Exchange. PRLPPL also raised funds by issue of shares and OCDs amounting to ₹ 43 Crore and ₹ 258 Crore approx. respectively.

**Parsvnath Hessa Developers Pvt. Ltd. (PHDPL)**

PHDPL is developing the premium luxury residential project “Parsvnath Exotica” at Gurgaon, Haryana. Handing over of the flats to the customers continued in a phased manner. On exit of the private equity investor last year, PHDPL has become a wholly owned subsidiary of the Company.

**Parsvnath Buildwell Pvt. Ltd. (PBPL)**

PBPL is implementing a premium residential project “Parsvnath Exotica - Ghaziabad” in Ghaziabad District, Uttar Pradesh, spread over an area of approx. 12.55 hectares (31 acres). Private equity firm SUN-Area Property Partners has invested ₹ 90 crores in the project.

**Parsvnath Realcon Pvt. Ltd. (PRPL)**

PRPL, a subsidiary of PBPL is operating as a project SPV for developing a luxury residential project at Subhash Nagar in West Delhi on land acquired from DMRC.

**Parsvnath HB Projects Pvt. Ltd. (PHBPL)**

PHBPL, a subsidiary of your company and a joint venture with HB Estate Developers Ltd., is developing a Hotel-cum-Multiplex-cum Shopping Mall Project viz., ‘Parsvnath Mall Matrix’ at Mohali in Punjab.

**Parsvnath Film City Limited (PFCL)**

The Arbitral Tribunal, vide their order dated 10 March, 2012, has decided the matter in favour of PFCL and awarded refund of ₹ 4,919.00 lacs towards the bid amount and other expenses incurred by PFCL, along with interest @ 12% per annum. Subsequently, the Chandigarh Administration (CA) filed a petition before the District Judge at Chandigarh challenging the award under section 34 of The Arbitration and Conciliation Act, 1996. The Petition was heard and PFCL filed its reply on the due date. The CA has filed its Rejoinder and also filed an application seeking permission to lead evidence and witnesses. Considering the facts and the discussions with Legal Counsel, the Management considers the above advance as good and fully recoverable.

**Parsvnath Telecom Pvt. Ltd.**

The Company has still not ventured into telecommunication related business and is still in the process of exploring the possibilities to undertake this business. The Company shall venture into this arena as and when suitable opportunities are identified.

**PDL Assets Limited**

The Company is still in the process of exploring various

possibilities of undertaking asset management and asset holding activities, and shall venture into this business as and when suitable opportunities are identified.

**Nanocity Haryana Infrastructure Ltd. (NHIL)**

NHIL was set up as a joint venture Company between Nano Works Developers Private Limited (Nano Works) and Haryana State Industrial & Infrastructure Development Corporation Limited (HSIIDC), for developing the “Nanocity” project in Panchkula district, Haryana. After careful consideration of the present conditions, your Company has exited from the project during the year.

**VIII. RISK MANAGEMENT**

Real estate sector, despite being a major contributor to economic progress and GDP, is yet to be accorded an ‘industry’ status. Resultantly, accessing capital at cost efficient rates is a major problem faced by most developers across the country. Further, unlike developed countries, institutional funding has been relatively absent. Hence, most industry players have to rely on the other sources of funding and face great volatility in interest rates. The Government’s cautious approach to Foreign Direct Investment (FDI) further narrows the channels for access to funding at competitive rates. In such a tight funding scenario, it is difficult for the sector to mitigate the risk of rising input costs and precludes the possibility of a proper pricing mechanism falling into place. Further, the sector faces a slow pace of reforms, poor disclosures and a lack of transparency, which have adversely impacted its growth. Nevertheless, the scenario is changing for the better, albeit slowly.

The Company has internally instituted an integrated risk management framework, comprising risk identification, creation of an appropriate risk management structure and evaluation of performance.

Some of the significant risks faced by the Company as a whole and the steps taken to mitigate them are:

**1. Fluctuations in demand**

The real estate sector is influenced greatly by economic growth, income levels of people and the overall sentiments of growth. The impact of each of these factors varies across real estate verticals. Accordingly, to mitigate the risk of demand fluctuations, the Company has created a diverse and comprehensive business portfolio which includes Integrated Townships, Group Housing, Commercial Complexes, Hotels, I.T. Parks, B.O.T. Projects, SEZs and third party contracts. The Company strategically focuses on developing residences, primarily for the mid-income and affordable segment, as the demand in these segments is relatively less volatile. Further, the Company is partially insulated from the risk of fluctuating demand due to its pan-India presence. Finally, the Company is constantly alert to

Government policies that allow the Company to enter segments such as infrastructure, BOT projects and third-party contracting as this offer stable revenue streams.

## **2. Rising input costs**

An important aspect that enables the Company to mitigate the risk of rising costs is its prudent approach to undertake most of its projects in-house. Concurrently, the Company does resort to outsourcing, as and when required, to expedite execution. Striking the right balance has ensured that costs are within control without compromising on the time factor.

The large scale operations undertaken by the Company combined with the long-term relationship it shares with its vendors is an important factor which enables the Company to procure quality raw materials at reasonable rates. Further, the Company focuses on planning logistics to deliver results with minimal inventory, which in turn reduces storage costs.

## **3. Project execution**

Supreme quality and time-bound execution are the landmarks of real estate sector frontrunners. To consolidate its position among industry stalwarts, the Company has defined its priorities to ensure execution of projects within the stipulated time frame. Towards this end, the Company is also outsourcing construction activities. At the same time, it has moved to a project-based organisation structure so as to enhance project flexibility and control. This results in an improvement in the quality of its construction.

## **4. Human resources**

To maintain a leading competitive edge in a dynamic business such as real estate requires vision, powerful execution capabilities and innovation in approach to the business. Attracting and retaining the best talent can be a challenge in a highly competitive industry. To mitigate this risk, the Company has a human resource policy in place which results in attracting and retaining the best talent.

## **5. Sourcing of funds**

The real estate sector is capital-intensive in nature yet the availability of finance is not forthcoming, especially from institutional sources. To ensure seamless execution of its projects, the Company has adopted a focused strategy of raising capital and strengthening its balance sheet. Further, to generate streams of recurring income, it has forayed into the commercial, third-party contract projects and BOT projects.

assets and invests in building and nurturing a strong talented pool to gain strategic edge and achieve operational excellence in all its goals. During the year, the Company focused on providing an enabling work culture thereby facilitating the achievement of professional goals, providing opportunities through various strategic learning programs and employee engagement initiatives. Another key focus area, in alignment with the challenging market conditions, was to enhance productivity of all employees across the country. This has culminated in a human resource pool that is comparable with the best in the sector. As on March 31, 2014, the Company's total employee strength stood at 641.

## **X Internal Controls and Systems**

A comprehensive in-house Internal Audit Department has been set up that conducts regular audits to ensure the adequacy of the internal control system, adherence to management instructions and compliance to achieve the objective of maximum productivity and output. The scope of activities of this department includes safeguarding and protecting the Company's assets against unauthorized use or disposition, maintenance of proper accounting records and verification of authentication of all transactions. Also, in order to further strengthen our Internal Audit systems, an independent firm of Chartered Accountants has been appointed to carry out the internal audit of various project sites, commercial and other functions of the Company.

With a sound reporting system with regard to compliance, the management can ensure that the Company follows best practices only. The Audit Committee and/or the Board of Directors periodically reviews audit plans, observations and recommendations of internal and external auditors with reference to significant risk areas and adequacy of internal controls.

## **Cautionary Statement**

*Statements made in the Management Discussion and Analysis Report describing the Company's objective, projections, estimates, expectations may be forward looking statements within the meaning of applicable laws and regulations, based on beliefs of the management of your Company. Such statements reflect the Company's current views with respect to the future events and are subject to risks and uncertainties. Many factors could cause the actual result to be materially different from those projected in this report, including among others, changes in the general economic and business conditions affecting demand/supply and price conditions in the segment in which the Company operates, changes in business strategy, changes in interest rates, inflation, deflation, foreign exchange rates, competition in the industry, changes in governmental regulations, tax laws and other Statutes & other incidental factors. The Company does not undertake any obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.*

## **IX Human Resources**

The Company places due importance to its human capital

# Corporate Governance Report

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The welfare of the stakeholders of the Company forms the crux of the Company's Corporate Governance Policy. The Company's philosophy strives to ensure that its business strategies and plans prioritise the welfare of all stakeholders, while at the same time, maximising shareholders' value on a sustained basis. The Board of Directors, Management and Employees of the Company consistently envisage attainment of the highest level of transparency, integrity and equity in all facets of the operations of the Company and also in its interactions with the stakeholders. The Company is committed to benchmark itself with the best standards of Corporate Governance, not only in form but also in spirit. Our Company is in compliance with the Corporate Governance guidelines as stipulated under Listing Agreement entered into with the stock exchanges. A report on the matters mentioned in the said clauses and the practices followed by the Company is detailed below.

## 2. BOARD OF DIRECTORS

### A. Composition & Category

The composition of the Board of Directors of the Company has undergone a change due to resignation of Shri Ram Niwas Lakhotia, Independent Director. The detailed composition of the Board is represented in Table 1 below. As on March 31, 2014, there were 6 (Six) Directors on the Board including 3 (Three) Non-Executive Directors in compliance with the prescribed combination of Executive and Non-Executive Directors on the Board. As regards the presence of Independent Directors, the Company requires atleast half of the Board to be represented by Independent Directors, since the Board of Directors of the Company is headed by an Executive Chairman. All the 3 (Three) Non-Executive Directors of the Company are Independent and thereby, the composition of the Board of Directors is in compliance with the parameters prescribed under Clause 49 of the Listing Agreement.

As mandated under the existing clause 49 of the Listing Agreement, the Independent Directors of the Company shall mean Non-Executive Directors of the Company who:

- a) apart from receiving Director's remuneration by way of sitting fees, do not have any material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its senior management, its subsidiaries and associates, which may affect their independence;
- b) are not related to the Promoters or persons occupying management positions at the Board level or at one level below the Board;
- c) have not been executive(s) of the Company in the immediately preceding three financial years;
- d) are not partner(s) or executive(s) or were not partner(s) or executive(s) during the preceding three years of any of the following:
  - i. The statutory audit firm or the internal audit firm that is associated with the Company; and
  - ii. The legal firm(s) and consultancy firm(s) that have a material association with the Company;
- e) are not material supplier(s), service provider(s) or customer(s) or lessor(s) or lessee(s) of the Company, which may affect their independence;
- f) are not substantial shareholder(s) of the Company i.e. owning two percent or more of the block of voting shares; and
- g) are not less than 21 years of age.

As per the declarations received by the Company, none of the Directors is disqualified under Section 164 of the Companies Act, 2013 (erstwhile Section 274(1)(g) of the Companies Act, 1956 read with the relevant rules).

None of the Directors of the Company is a member of more than ten Committees or acts as a Chairman of more than five Committees across all Public Limited Companies in which he holds the directorship. The Company is notified by the Directors, from time to time, the status of Committee positions they occupy in other companies.

**Table 1: Composition of the Board of Directors as on March 31, 2014**

Sr. No.	Name & Category of the Director	DIN	Designation	Number of Directorship (s) in other Public Limited Companies*	Number of Membership(s)/ Chairmanship(s) held in Committees of Public Limited Companies**	
					Membership(s)	Chairmanship(s)
<b>Executive Directors</b>						
1	Shri Pradeep Kumar Jain	00333486	Chairman	5	-	-
2	Shri Sanjeev Kumar Jain	00333881	Managing Director & CEO	11	4	1
3	Dr. Rajeev Jain	00433463	Director (Marketing)	8	2	-
<b>Non-Executive Independent Directors</b>						
4	Shri Ashok Kumar	00138677	Director	3	2	1
5	Shri Ramdas Janardhana Kamath	00035386	Director	4	1	4
6	Dr. Pritam Singh	00057377	Director	2	3	1
7	Shri Ram Niwas Lakhotia <sup>1</sup>	00091290	Director	N.A.	N.A.	N.A.

<sup>1</sup> Resigned with effect from August 14, 2013.

\* Excludes private, foreign, unlimited liability companies, Government bodies and companies registered under Section 25 of the Companies Act, 1956.

\*\* For the purpose of reckoning the limit of the Committees on which a Director can serve, the Chairmanship/Membership of the Audit Committee and the Shareholders'/Investors' Grievance Committee of all listed and/or unlisted Public Limited Companies only have been considered.

### B. Board Meetings & Last Annual General Meeting – Attendance of Directors

The Board met five times on 28.05.2013, 14.08.2013, 06.11.2013, 30.12.2013 and 12.02.2014, during the financial year ended March 31, 2014. The attendance of each Director at the Board Meetings and at the last Annual General Meeting (AGM) of the Company is set out in Table 2 below:

**Table 2: Attendance of the Directors at the Board Meetings and at the last AGM**

Sr. No.	Name of the Director	Number of Board Meetings attended	Attendance at AGM held on 30.12.2013
1	Shri Pradeep Kumar Jain	5	Y
2	Shri Sanjeev Kumar Jain	5	Y
3	Dr. Rajeev Jain	5	Y
4	Shri Ashok Kumar	4	N
5	Shri Ramdas Janardhana Kamath	4	N
6	Dr. Pritam Singh	4	Y
7	Shri Ram Niwas Lakhotia <sup>1</sup>	-	N.A.

<sup>1</sup> Resigned with effect from August 14, 2013

### C. Information supplied to the Board & Statutory Compliance

The Board of Directors has complete access to all information available with the Company. The agenda notes prepared for the meetings of the Board of Directors cover all items specified in Annexure 1A to Clause 49 of the Listing Agreement to the extent applicable to the Company. In addition, the following items are also provided and reviewed by the Board of Directors on a regular basis:

- Report on statutory compliance with all applicable laws by the Company, as well as steps taken by the Company to rectify instances of non-compliance, if any;
- Minutes of the meetings of the Board of Directors of all the subsidiary companies of the Company; and
- Statement of all significant transactions and arrangements entered into by/with the subsidiary companies.

**D. Non-Executive Directors' compensation**

The Non-Executive Directors are paid sitting fee of ₹ 20,000/- for attending each meeting of the Board of Directors or Committees thereof. The sitting fee so paid by the Company is within the limits prescribed under the provisions of the Companies Act, 1956, fixed by the Board of Directors under the Articles of Association of the Company and does not require approval of the shareholders.

**E. Code of Conduct**

The Board of Directors has laid down a 'Code of Conduct' applicable to all Board members and senior management personnel of the Company. This Code of Conduct is posted on the website of the Company (www.parsvnath.com). In compliance with Clause 49 of the Listing Agreement, annual affirmation of this Code of Conduct by all Board members and senior management personnel has been ensured and the certificate to this effect signed by the Managing Director & CEO is appended to this report.

**3. COMMITTEES OF BOARD OF DIRECTORS**

**A. Audit Committee**

The Audit Committee of Board of Directors of the Company has such powers as are detailed under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

The responsibilities of the Audit Committee include, *inter alia*, overseeing the financial reporting process to ensure proper disclosure of financial statements, recommending appointment/removal of Statutory Auditors and their remuneration, reviewing the quarterly and annual financial statements before submission to the Board, reviewing the adequacy of the internal audit function including the structure and staffing of the internal audit department, ensuring compliance of internal control systems, reviewing findings of internal investigations, discussing the nature and scope of audit with Statutory Auditors, reviewing the Company's financial and risk management policies and looking into reasons of substantial defaults, if any, of non-payment to stakeholders and a mandatory review of Management Discussion and Analysis of financial condition and results of operations, Statement of significant related party transactions submitted by management, management letters/letters of internal control weaknesses, if any, issued by the Statutory Auditors and the internal audit reports relating to internal control weaknesses, if any.

Subsequent to year end, the Board of Directors has revised/enlarged the scope of Audit Committee as per Section 177 of the Companies Act, 2013 read with Rules notified thereunder

and amended Clause 49 of the Listing Agreement with the Stock Exchanges.

The Audit Committee comprises Shri Ramdas Janardhana Kamath (Chairman), Shri Sanjeev Kumar Jain, Shri Ashok Kumar and Dr. Pritam Singh. All members except Shri Sanjeev Kumar Jain are Non-Executive Independent Directors of the Company.

All the members of the Audit Committee possess sound knowledge of accounts, audit, taxation etc. Shri V. Mohan, Sr. Vice President (Legal) & Company Secretary acts as the Secretary to the Audit Committee. The Committee invites Group Chief Financial Officer, head of the Internal Audit Department and representative(s) of the Statutory Auditors and External Internal Auditors to attend the meetings of the Audit Committee on a regular basis. The Committee met five times with adequate quorum on 28.05.2013, 14.08.2013, 06.11.2013, 30.12.2013 and 12.02.2014 during the financial year ended March 31, 2014. The attendance of each member thereat is set out in Table 3 below:

**Table 3: Attendance of the Members at the Audit Committee Meetings**

Sr. No.	Name of the Member	Number of Audit Committee Meetings attended
1	Shri Ramdas Janardhana Kamath	4
2	Shri Sanjeev Kumar Jain	5
3	Shri Ashok Kumar	4
4	Dr. Pritam Singh	4

**B. Remuneration Committee**

The Remuneration Committee of Board of Directors of the Company has been constituted to recommend/review the remuneration package of the Executive Directors. The Committee is chaired by Dr. Pritam Singh and other members are Shri Ramdas Janardhana Kamath and Shri Ashok Kumar, all being Non-Executive Independent Directors. Subsequent to year end, the Committee has been renamed as Nomination and Remuneration Committee and its scope has also been revised to align the same with the provisions of Section 178 of the Companies Act, 2013 read with Rules notified thereunder and clause 49 of the listing agreement with the Stock Exchanges.

The remuneration of Executive Directors is decided after taking into consideration a number of factors including industry trend, remuneration package in other comparable corporates, job responsibilities and key performance areas,

Company's performance etc. The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration paid to the Executive Directors is subject to the limits laid down under Sections 197, 198, 203 and other applicable provisions of the Companies Act, 2013 read with Rules notified thereunder and Schedule V (erstwhile sections 198, 269 and 309 read with Schedule XIII to the Companies Act, 1956) and in accordance with the terms of appointment approved by the shareholders of the Company. The Executive Directors are not being paid any sitting fees for attending the meetings of the Board of Directors and/or Committees thereof.

During the year ended March 31, 2014, no meeting of the Remuneration Committee was held.

All pecuniary relationships and elements of remuneration package of Directors are disclosed in Table 4 below:

**Table 4: Remuneration paid/payable to the Directors of the Company during Financial Year 2013-14**

Sr. No.	Name of the Director	No. of Shares held	Salary & Perquisites (₹ /Lacs)	Sitting Fees (₹ /Lacs)	Total Amount (₹ /Lacs)
1	Shri Pradeep Kumar Jain	11,37,97,153	360.79	-	360.79
2	Shri Sanjeev Kumar Jain	21,600	132.40	-	132.40
3	Dr. Rajeev Jain	16,000	96.40	-	96.40
4	Shri Ashok Kumar	2,000	-	2.20	2.20
5	Shri Ramdas Janardhana Kamath	-	-	2.40	2.40
6	Dr. Pritam Singh	-	-	1.60	1.60
7	Shri Ram Niwas Lakhotia <sup>1</sup>	-	-	-	-

<sup>1</sup> Resigned with effect from August 14, 2013

**Notes:**

1. Shareholding figures are as on March 31, 2014. The Company has not issued any instruments that can be converted into equity shares. No Stock option has been granted to any of the Directors of the Company.
2. The term of office of the Executive Directors shall remain valid for a period of five years from the respective dates of their appointment, which may be terminated by giving prior notice of six months in writing by either side. No severance fee is payable.
3. The remuneration, by way of salary & perquisites, does not include leave encashment, gratuity and other retirement benefits.
4. Shri Pradeep Kumar Jain, Shri Sanjeev Kumar Jain and Dr. Rajeev Jain are related to each other as brothers. This apart, none of the other Directors is *inter-se* related to each other.
5. The Company pays rentals to Shri Pradeep Kumar Jain and Smt. Nutan Jain, wife of Shri Pradeep Kumar Jain, for the Car Parking Spaces/office flats taken on rent.

**C. Shareholders'/Investors' Grievance Committee**

The Shareholders'/Investors' Grievance Committee of Board of Directors of the Company comprises four Members, including two Executive Directors viz. Shri Sanjeev Kumar Jain and Dr. Rajeev Jain and two Non-Executive Independent Directors viz. Shri Ashok Kumar and Shri Ramdas Janardhana Kamath. Shri Ashok Kumar is the Chairman of the Committee and Shri V. Mohan, Sr. Vice President (Legal) & Company Secretary acts as the Secretary to the Committee and is the Compliance Officer. Subsequent to year end, the Committee has been renamed as Stakeholders Relationship Committee and its scope has also been revised to align the same with the provisions of Section 178 of the Companies Act, 2013 read with Rules notified thereunder and clause 49 of the Listing Agreement with the Stock Exchanges.

During the financial year ended March 31, 2014, the Shareholders'/Investors' Grievance Committee met 27 times with adequate quorum on 10.04.2013, 22.04.2013, 01.05.2013, 18.05.2013, 28.05.2013, 06.06.2013, 10.07.2013, 20.07.2013, 31.07.2013, 14.08.2013, 27.08.2013, 07.09.2013, 20.09.2013, 27.09.2013, 10.10.2013, 06.11.2013, 22.11.2013, 05.12.2013, 13.12.2013, 24.12.2013, 08.01.2014, 20.01.2014, 31.01.2014, 12.02.2014, 03.03.2014, 18.03.2014 and 29.03.2014. The attendance of each member thereat is set out in Table 5 below:

**Table 5: Attendance of the Members at the Stakeholders Relationship Committee Meetings**

Sr. No.	Name of the Member	Number of Stakeholders Relationship Committee Meetings attended
1	Shri Ashok Kumar	3
2	Shri Sanjeev Kumar Jain	27
3	Dr. Rajeev Jain	27
4	Shri Ramdas Janardhana Kamath	4
5	Shri Ram Niwas Lakhotia <sup>1</sup>	-

<sup>1</sup> Resigned with effect from August 14, 2013

The Committee addresses issues relating to the redressal of shareholders' and investors' grievances on non-receipt of balance sheet/declared dividend/other related issues etc. Besides, the Committee also approves transfer of shares/re-materialization/split/consolidation of share certificates. In order to provide timely and efficient service to the shareholders, the Board of Directors has delegated the power to approve share transfers to Shri V. Mohan, Sr. Vice President (Legal) & Company Secretary.

During the year under review, 24 complaints were received from the shareholders, which were properly resolved and/or replied by the Company/ Registrar & Share Transfer Agent (RTA) viz. M/s Link Intime India Private Limited, leaving a balance of nil complaint as on March 31, 2014.

SEBI Complaints Redress System (SCORES): SEBI vide its Circular No. CIR/OIAE/2/2011 dated June 03, 2011, has commenced processing of investor complaints on a centralised web based complaints redress system called SCORES. During the financial year 2013 -14, the Company has received and resolved 7 investor complaints through the same.

#### 4. GENERAL BODY MEETINGS

##### A. Annual General Meetings (AGMs) & Special Resolutions passed therein in the last three years

The date, time and location of the last three AGMs of the Company and the Special Resolutions passed by the Shareholders in these AGMs are set out in Table 6 and Table 7 respectively:

**Table 6: Particulars of last three AGMs of the Company**

Year	Location	Date	Time
2012-13	Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi 110003	30.12.2013	11.00 A.M.

2011-12	Air Force Auditorium, Subroto Park, New Delhi 110010	22.09.2012	11.00 A.M.
2010-11	Air Force Auditorium, Subroto Park, New Delhi 110010	24.09.2011	11.00 A.M.

**Table 7: Special Resolutions passed in the last three AGMs of the Company**

Date of Meeting	Nature of Resolutions
22.09.2012	Raising of additional long- term funds through further issuance of Securities
24.09.2011	Raising of additional long- term funds through further issuance of Securities

##### B Extra-Ordinary General Meetings (EGMs) & Special Resolutions passed therein in the last three years

There was no EGM held during the last three years.

##### C Postal Ballot Exercise

During the year under review, the Company has not passed any resolution through the postal ballot exercise.

Pursuant to Circular No. CIR/CFD/DIL/6/2012 dated July 13, 2012, SEBI has made it mandatory for the Listed Companies to provide e-voting facility to its Shareholders in respect of those businesses which are to be transacted through Postal Ballot. Accordingly, the Company has entered into a Tri-partite Agreement with Link Intime India Private Limited, Registrar & Share Transfer Agent (RTA) and each of the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

#### 5. DISCLOSURES

##### A. Subsidiary Companies:

The Company had 16 subsidiary companies as on March 31, 2014, including two overseas subsidiaries viz. Parsvnath Developers Pte. Ltd. and Parsvnath Hospitality Holdings Ltd. (subsidiary of Parsvnath Developers Pte. Ltd.), incorporated in Singapore. During the year under review, Parsvnath Retail Ltd. has ceased to be a subsidiary of the Company and Parsvnath Hessa Developers Pvt. Ltd. has become a subsidiary of the Company. Further, upon notification of revised definition of subsidiary company under Section 2 of the Companies Act, 2013, Parsvnath Rail Land Project Pvt. Ltd. no longer falls under the ambit of a subsidiary company. Further, Parsvnath Buildwell Pvt. Ltd. (PBPL) and Parsvnath Realcon Pvt. Ltd. (subsidiary of PBPL) have become subsidiary companies in terms of the revised definition.

As at March 31, 2014, there is no "material non-listed Indian subsidiary" as defined under Clause 49 of the Listing Agreement. However, as a good Corporate Governance practice, Shri Ramdas Janardhana Kamath, Independent Director, continues to be on the Boards of Parsvnath Landmark Developers Pvt. Ltd., Parsvnath Infra Ltd. and Parsvnath Hotels Ltd., subsidiaries of the Company.

**B. Related Party Transactions:**

The transactions entered into by the Company with its 'Related Parties' during the financial year 2013-14 are set out in Note No.60 forming part of financial statements, given elsewhere in this Annual Report. These transactions were generally with the subsidiary and associate companies, based on considerations like synergy in operations, future growth strategy, optimization of resources etc. All Related Party Transactions were on an arm's length basis and were not in conflict with the interest of the Company at large.

**C. Accounting Treatment:**

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with Generally Accepted Accounting Principles (GAAP) in India and comply with Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006, to the extent applicable and in accordance with the provisions of the Companies Act, 1956.

**D. Risk Management:**

Risk evaluation and management is an ongoing process within the organization. The meeting of Risk Management Committee constituted by the Board of Directors for monitoring the compliance with the risk management policy laid down by the Company was held on March 27, 2014.

**E. Insider Trading Regulations – Code of Conduct (Code):**

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, the Company has in place a 'Code of Conduct', as modified in view of various amendments in the aforesaid Regulations, applicable to its Directors/ Promoters/ Persons belonging to Promoter Group and their dependant relatives, Officers/ Designated Employees and their dependant relatives. Further, the Board of Directors has appointed Shri V. Mohan, Sr. Vice President (Legal) & Company Secretary as Compliance Officer who is responsible for setting forth policies and procedures for monitoring adherence to the Code for the preservation of price sensitive information, pre-clearance

of trade and implementation of the Code for trading in Company's securities under the overall supervision of the Board of Directors.

**F. Non-compliance/strictures/penalties:**

There were no instances of non-compliance by the Company on any matter related to capital markets and therefore, no penalties and/or strictures have been imposed on the Company by any Stock Exchange or SEBI or any statutory authority during the last three years.

**G. Compliance with mandatory & non-mandatory requirements:**

The Company complies with all the mandatory requirements and non-mandatory requirement relating to constitution of Remuneration Committee of Directors, details of which have been given under Para 3B of this Report, as prescribed under Clause 49 of the Listing Agreement.

**6. MEANS OF COMMUNICATION**

The notice of Board Meetings, quarterly and annual financial results of the Company are normally published in The Financial Express (English/daily), Jansatta (Hindi/Daily) and also posted on the website of the Company (www.parsvnath.com). The information and latest updates and announcements regarding the Company, including its shareholding pattern, management profile and presentation made to institutional investors/analysts are also available on the website of the Company.

Further, in support of the "Green Initiative in the Corporate Governance" announced by The Ministry of Corporate Affairs (MCA), the Company proposes to send all documents such as Notices for General Meetings, Annual Reports containing, *inter alia*, Directors' Report, Auditors' Report etc. including the Annual Report for the Financial Year 2013-14 in electronic form.

**7. GENERAL SHAREHOLDER INFORMATION**

**A. Annual General Meeting**

**Day, Date & Time:** Tuesday, September 23, 2014 at 3:00 p.m.

**Venue:** Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi- 110003

**B. Financial Calendar**

The tentative financial calendar for the ongoing financial year i.e. April 01, 2014 to March 31, 2015 is set out in Table 8 below:

**Table 8: Tentative schedule for the Financial Year (FY) 2014-15**

Activity	Schedule
Financial Reporting for the Quarter ended June 30, 2014	August 12, 2014
Financial Reporting for the Quarter ending September 30, 2014	On or before November 14, 2014
Financial Reporting for the Quarter ending December 31, 2014	On or before February 14, 2015
Financial Reporting for the Quarter/Year ending March 31, 2015	On or before May 30, 2015

**C. Date of Book Closure**

The period of book closure is from Monday, September 15, 2014 to Tuesday, September 23, 2014 (both days inclusive).

**D. Dividend Payment Date**

For the year 2013-14, with a view to conserve the resources for the operations of the Company, no dividend was recommended by the Board of Directors.

**E. Listing on Stock Exchanges**

The equity shares of the Company are listed on the National Stock Exchange of India Limited (NSE), BSE Limited (BSE) and Delhi Stock Exchange Limited (DSE). The Company has paid the annual listing fee for the financial year 2014-15 to NSE and BSE.

The Board of Directors at its Meeting held on August 12, 2014 has decided to get the equity shares of the Company delisted from DSE.

**F. Stock Code**

The codes assigned to the equity shares of the Company by NSDL/CDSL, NSE, BSE & DSE are set out in Table 9 below:

**Table 9: Codes assigned to the equity shares of the Company**

NSDL/CDSL (ISIN)	NSE Stock Code	BSE Stock Code	DSE Stock Code
INE561H01026	PARSVNATH – EQ	532780	470013

**G. Market Price Data**

The monthly high and low prices of the Company's equity shares traded at BSE and NSE, as also the high and low of S & P BSE Sensex and CNX Nifty for the financial year 2013-14 are set out in Table 10 & 11 below:

**Table 10: High/Low Price of the equity shares of the Company at BSE vis-à-vis S&P BSE Sensex**

Month/Year	HIGH		LOW	
	Price (₹)	S&P BSE Sensex	Price (₹)	S&P BSE Sensex
April, 2013	40.10	19622.68	31.55	18144.22
May, 2013	37.80	20443.62	33.30	19451.26
June, 2013	35.50	19860.19	27.35	18467.16
July, 2013	32.95	20351.06	28.00	19126.82
August, 2013	33.00	19569.20	26.65	17448.71
September, 2013	29.90	20739.69	25.50	18166.17
October, 2013	28.55	21205.44	25.70	19264.72
November, 2013	28.20	21321.53	23.50	20137.67
December, 2013	26.70	21483.74	23.50	20568.70
January, 2014	27.50	21409.66	23.05	20343.78
February, 2014	27.75	21140.51	22.25	19963.12
March, 2014	26.35	22467.21	22.90	20920.98

**Table 11: High/Low Price of the equity shares of the Company at NSE vis-à-vis CNX Nifty**

Month/Year	HIGH		LOW	
	Price (₹)	CNX Nifty	Price (₹)	CNX Nifty
April, 2013	40.00	5962.30	31.50	5477.20
May, 2013	37.30	6229.45	33.20	5910.95
June, 2013	35.45	6011.00	27.30	5566.25
July, 2013	33.00	6093.35	28.05	5675.75
August, 2013	33.00	5808.50	26.65	5118.85
September, 2013	29.70	6142.50	25.40	5318.90
October, 2013	29.10	6309.05	24.80	5700.95
November, 2013	28.20	6342.95	23.40	5972.45
December, 2013	26.95	6415.25	23.55	6129.95
January, 2014	27.45	6358.30	23.00	6027.25
February, 2014	27.85	6282.70	22.25	5933.30
March, 2014	26.45	6730.05	23.00	6212.25

**H. Registrar & Share Transfer Agent (RTA)**

M/s Link Intime India Private Limited (Unit: Parsvnath Developers Limited)  
44, Community Centre, 2<sup>nd</sup> Floor, Naraina Industrial Area, Phase- I, New Delhi 110 028  
Phone: 011- 4141 0592/93/94, Fax: 011- 4141 0591, e-mail: delhi@linkintime.co.in

**I. Share Transfer System**

For registration of transfer of shares held in physical form, the share certificate(s) in original alongwith the share transfer deed(s) and other relevant documents should be submitted at the registered office of the Company or with its RTA. In case the documents are in order, the requests for registration of transfer of shares are placed either before the delegated authority or before the Shareholders'/ Investors' Grievance Committee (renamed as Stakeholders Relationship Committee), as the case may be, for approval.

Pursuant to Clause 47(c) of the Listing Agreement, certificates issued by the Practising Company Secretary for due compliance of share transfer formalities have been furnished by the Company to the Stock Exchanges on half yearly basis. Pursuant to SEBI (Depositories and Participants) Regulations, 1996, the Company has received certificates from its RTA, confirming timely dematerialization/rematerialization of the shares of the Company and Reconciliation of Share Capital Audit Reports from Practising Company Secretary on a quarterly basis for reconciliation of the share capital of the Company.

**J. Distribution of Shareholding**

Table 12 and 13 list the shareholding pattern and distribution of the shareholding of the equity shares of the Company, in terms of categories of shareholders and size of holding respectively.

**Table 12: Shareholding Pattern as on March 31, 2014**

Category of Shareholders	Mode of Holding Shares		Total Shareholding	
	Physical	Demat	Number	%
Promoters	-	32,29,83,890	32,29,83,890	74.22
Bodies Corporate	-	3,23,50,793	3,23,50,793	7.43
Financial Institutions/Banks	-	4,57,112	4,57,112	0.11
Mutual Funds	-	2,233	2,233	0.00
Foreign Institutional Investors	-	4,62,28,791	4,62,28,791	10.62
NRIs	-	5,52,978	5,52,978	0.13
Individuals	27,263	3,04,11,899	3,04,39,162	6.99
Others	-	21,66,211	21,66,211	0.50
<b>Total</b>	<b>27,263</b>	<b>43,51,53,907</b>	<b>43,51,81,170</b>	<b>100.00</b>

**Table 13: Distribution of Shareholding as on March 31, 2014**

Range of Shareholding	Shareholders		Shareholding	
	Number	%	Number	%
Upto 250	1,82,053	88.67	1,21,30,609	2.79
From 251 to 500	13,059	6.36	48,70,983	1.12
From 501 to 1000	6,239	3.04	47,04,253	1.08
From 1001 to 2000	2,322	1.13	34,86,375	0.80
From 2001 to 3000	595	0.29	14,99,264	0.35
From 3001 to 4000	278	0.14	10,06,459	0.23
From 4001 to 5000	171	0.08	7,93,746	0.18
From 5001 to 10,000	266	0.13	19,50,903	0.45
10,001 and above	336	0.16	40,47,38,578	93.00
<b>Total</b>	<b>2,05,319</b>	<b>100.00</b>	<b>43,51,81,170</b>	<b>100.00</b>

**K. Dematerialization of shares**

Table 14 lists the number of equity shares of the Company held in dematerialised mode through National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on March 31, 2014.

**Table 14: Shares in Dematerialised mode as on March 31, 2014**

NSDL		CDSL		Total	
No. of Shares	% of Capital	No. of Shares	% of Capital	No. of Shares	% of Capital
32,62,99,197	74.980	10,88,54,710	25.014	43,51,53,907	99.994

**L. Outstanding GDRs/ADRs/Warrants or any Convertible instruments**

The Company has not issued any GDRs/ADRs/Warrants or any other instruments, which are convertible into equity shares of the Company.

**M. Address for correspondence**

Company	Registrar & Share Transfer Agent (RTA)
Shri V. Mohan Sr. Vice President (Legal) & Company Secretary Parsvnath Developers Limited, Parsvnath Metro Tower, Near Shahdara Metro Station, Shahdara, Delhi -110032 CIN : L45201DL1990PLC040945 Phone: 011- 43050100/43010500 Fax: 011- 43050468/43050473 e-mail: investors@parsvnath.com Website : www.parsvnath.com	Link Intime India Private Limited (Unit: Parsvnath Developers Limited) 44, Community Centre, 2 <sup>nd</sup> Floor, Naraina Industrial Area, Phase- I, New Delhi 110 028. Phone: 011- 41410592/93/94 Fax: 011- 41410591 e-mail: delhi@linkintime.co.in Website : www.linkintime.co.in

**N. Status of Unclaimed Shares**

Pursuant to Clause 5A of the Equity Listing Agreement, the Company has opened a separate demat suspense account named as "Parsvnath Developers Limited – Unclaimed Securities Suspense Account" and credited the shares of the Company which are remaining unclaimed by the Shareholders under the Initial Public Offer (IPO).

The details of such unclaimed shares as on March 31, 2014 are set out in Table 15 below.

**Table 15: Unclaimed Shares\***

Sr. No.	Particulars	Number	
		Shareholders	Shares
1	Aggregate Number of Shareholders and the outstanding shares in the aforesaid suspense account lying at the beginning of the year i.e. as at April 1, 2013	370	18478
2	Number of Shareholders who approached for transfer of shares from the said account during the year 2013-14	-	-
3	Number of Shareholders to whom shares were transferred from the said account during the year 2013-14	-	-
4	Aggregate Number of Shareholders and the outstanding shares in the said account lying at the end of the year i.e. as at March 31, 2014	370	18478

\*The voting rights on the above-mentioned Shares shall remain frozen till the rightful owners of such shares claim the Shares.

Shareholders who have not so far received shares allotted to them in the IPO are requested to contact, by writing, to the Company and/or to the RTA of the Company alongwith necessary documents.

**O. Transfer of Unpaid/Unclaimed amounts to Investor Education and Protection Fund:**

Pursuant to Sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, as amended from time to time, read with The Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, all unclaimed / unpaid dividend, application money, principal amount of deposits and interest thereon, as applicable remaining unclaimed / unpaid for a period of seven years from the date they became due for payment, are required to be transferred to Investor Education and Protection Fund (IEPF) of the Central Government. After such transfer, no claims of the members whatsoever shall subsist on the said amount against the Company. Therefore, members who have not yet claimed their dividend declared for financial year 2007-08 are requested to encash their dividend warrant (s) on priority basis within the validity period. It may be noted that the unclaimed dividend amount for the Financial Year 2006-07, remaining unclaimed as of August 09, 2014 is in the process of being transferred to the IEPF, in terms of the abovementioned provisions.

Further, the particulars of unpaid/ unclaimed dividend, principal amount of deposits and interest thereon as on December 30, 2013 i.e. date of last Annual General Meeting of the Company has been uploaded on Company's website [www.parsvnath.com](http://www.parsvnath.com) in compliance of the Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012.

The information relating to outstanding dividend is set out in Table 16 below.

**Table 16: Information relating to outstanding dividend:**

Financial Year	Date of declaration	Last date for claiming unpaid dividend
2007-08	September 24, 2008	September 23, 2015

**8. CEO AND CFO CERTIFICATION**

The certificate required under Clause 49 (IV) of the Listing Agreement duly signed by the Managing Director & CEO and Group Chief Financial Officer was placed before the Board of Directors, which has been duly taken on record.

The Board of Directors  
Parsvnath Developers Limited  
Parsvnath Metro Tower,  
Near Shahdara Metro Station,  
Shahdara,  
Delhi – 110032

## DECLARATION REGARDING CODE OF CONDUCT

I, Sanjeev Kumar Jain, Managing Director & Chief Executive Officer of Parsvnath Developers Limited (“the Company”), hereby declare that all the Board Members and Senior Management of the Company have affirmed compliance with the Company’s Code of Conduct for the financial year ended 31 March, 2014, as required under Clause 49(l)(D)(ii) of the Listing Agreement with the Stock Exchanges.

**NEW DELHI**  
12 August, 2014

Sd/-  
**SANJEEV KUMAR JAIN**  
Managing Director &  
Chief Executive Officer

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## INDEPENDENT AUDITOR’S CERTIFICATE ON CORPORATE GOVERNANCE

### TO THE MEMBERS OF PARSVNATH DEVELOPERS LIMITED

We have examined the compliance of conditions of Corporate Governance by **Parsvnath Developers Limited**, for the year ended on 31 March, 2014, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Registration No.015125N)

Sd/-  
**ALKA CHADHA**  
Partner  
(Membership No. 93474)

**MUMBAI**  
12 August, 2014

# Independent Auditors' Report

## TO THE MEMBERS OF PARSVNATH DEVELOPERS LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of **PARSVNATH DEVELOPERS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the

overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

### Emphasis of Matter

Attention is invited to Note 42 of the financial statements, which describes the reasons for delays in payment of principal and interest on borrowings and discharge of its statutory liabilities by the Company. The management of the Company is of the opinion that no adverse impact is anticipated on future operations of the Company.

Our opinion is not qualified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs).
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No. 015125N)

**Sd/-**  
**ALKA CHADHA**  
Partner  
(Membership No. 93474)

New Delhi  
28 May, 2014

### **Annexure to the Independent Auditors' Report**

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

- (i) Having regard to the nature of the Company's business/ activities/results during the year, clauses (x) and (xiii) of paragraph 4 of the Order are not applicable to the Company.
- (ii) In respect of its fixed assets:
- a. The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets, except in respect of shuttering and scaffolding wherein, as informed to us, it is not practicable to record quantitative details in the fixed assets register.
- b. According to the information and explanations given to us, the Company has a programme of physically verifying its fixed assets in a phased manner designed to cover all assets over a period of two years, which in our opinion is reasonable having regard to the size of the Company and the nature of its business. In accordance with this programme, the Management has, other than shuttering and scaffolding, carried out a physical verification of fixed assets during the year and according to the information and explanations given

to us, no material discrepancies were noticed on such verification. In respect of shuttering and scaffolding, the discrepancies, if any, cannot be determined.

- c. The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) In respect of its inventories:
- a. Inventory comprises finished flats and projects under construction / development (work-in-progress). As explained to us, the inventories were physically verified during the year by the management at reasonable intervals.
- b. In our opinion and according to the information and explanations given to us, having regard to the nature of inventory, the procedures of physical verification by way of verification of title deeds, site visits by the management and certification of work completion by competent persons, are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) In respect of loans, secured or unsecured, granted by the Company to companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:
- a. The Company has granted unsecured loans aggregating to ₹ 2,456.33 lacs to seven Companies during the year. At the year-end, the outstanding balances of such loans granted aggregated ₹ 9,685.50 lacs (eight companies) and the maximum amount involved during the year was ₹ 14,785.60 lacs (nine Companies).
- b. The rate of interest and other terms of conditions of loan granted to a subsidiary company are, in our opinion, prima facie not prejudicial to the interest of the Company. The loans granted to seven companies aggregating to ₹ 6,691.43 lacs are non-interest bearing. In our opinion and according to the information and explanations given to us, other than for loans being interest free, terms and conditions of such loans given by the Company are *prima facie*, not prejudicial to the interest of the Company.

- c. The aforesaid loans given by the Company are repayable on demand. As explained to us, repayment of principal amount was as demanded during the year and thus there is no overdue amount.

In respect of loans, secured or unsecured, taken by the Company from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:

- a. The Company has taken loans aggregating to ₹ 2,668.92 lacs from a director and a Company covered in the register maintained under section 301 of the Companies Act, 1956. At the year-end, the outstanding balance of such loans aggregated ₹ 42.72 lacs and the maximum amount involved during the year was ₹ 2,167.28 lacs.
- b. The rate of interest and other terms and conditions of such loans are, in our opinion, *prima facie*, not prejudicial to the interests of the Company.
- c. The payments of principal amounts and interest in respect of such loans are as per stipulations.
- (v) In our opinion and according to the information and explanations given to us, having regard to the explanations that land/development rights purchased are of special nature and alternative sources are not available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in internal control system.
- (vi) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
- a. The particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956 that need to be entered in the Register maintained under the said Section have been so entered.
- b. Where each of such transaction is in excess of ₹ 5 lacs in respect of any party, the transactions have been made

at prices which are *prima facie* reasonable having regard to the prevailing market prices at the relevant time.

- (vii) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975 with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- (viii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (ix) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that *prima facie*, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (x) According to the information and explanations given to us, in respect of statutory dues:
- a. The Company is regular in depositing undisputed statutory dues pertaining to Wealth Tax and Investor Education and Protection Fund. There have been delays in deposit of statutory dues in respect of Provident Fund, Employees' State Insurance, Income Tax, Tax Deducted at Source, Sales Tax and Service Tax with the appropriate authorities during the year. We are informed that the Company's operations, during the year, did not give rise to any liability for Excise Duty and Customs Duty. There are no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Sales Tax, Wealth Tax, Service Tax, Customs Duty and Excise Duty. However, undisputed amount in respect of Income Tax of ₹ 10,574.00 lacs for the year ended 31 March, 2012, ₹ 6,131.00 lacs for the year ended 31 March, 2013 and Advance Income Tax of ₹ 709.92 lacs for the year ended 31 March, 2014, have remained outstanding as on 31 March, 2014 for more than six months from the date they became payable.

- b. Details of dues of Income Tax and Sales Tax which have not been deposited as on 31 March, 2014 on account of disputes are given below:

Name of statute	Nature of dues	Amount demanded (₹ in Lacs)	Period to which the amount relates	Forum where the dispute is pending
UP Trade Tax Act, 1948	Trade Tax	1,771.40	2006-2007	Additional Commissioner (Appeals), Moradabad
Income Tax Act, 1961	Income Tax	867.88	Financial year 2004-05 to 2011-12	Commissioner of Income Tax (Appeals)

We are informed that there are no dues in respect of Wealth Tax, Service Tax, Excise Duty, Custom Duty and Cess which have not been deposited on account of any dispute.

- (xi) Based on the examination of the books of account and related records and according to the information and explanations given to us, 94 instances of delays were noted in repayment of dues to the banks ranging from 1 day to 109 days with amounts varying from ₹ 1.22 lacs to ₹ 1,250.00 lacs and 72 instances of delays were noted ranging from 1 day to 365 days with amounts varying from ₹ 5.47 lacs to ₹ 500.00 lacs in repayment of dues to financial institutions and 21 instances of delays were noted ranging from 1 day to 207 days for amounts varying from ₹ 20.37 lacs to ₹ 3,125.00 lacs in repayment of dues to debenture holders.
- (xii) According to the information and explanations given to us and based on documents and records examined by us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
- (xiv) In our opinion and according to the information and explanations given to us, the terms and conditions of the

guarantees given by the Company for loans taken by its subsidiary companies from banks and financial institutions are not, *prima facie*, prejudicial to the interests of the Company.

- (xv) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained, other than temporary deployment pending application.
- (xvi) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have, *prima facie*, not been used during the year for long term investment.
- (xvii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xviii) According to the information and explanations given to us, during the year covered by our audit report, the Company has issued 6,000 debentures of ₹ 1.00 lakh each. The Company has created security in respect of debentures issued.
- (xix) The Company has not raised any money by public issues during the year.
- (xx) 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 has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No. 015125N)

**Sd/-**  
**ALKA CHADHA**  
Partner  
(Membership No. 93474)

New Delhi  
28 May, 2014

## Balance Sheet as at 31 March, 2014

(₹ in Lacs)

	Note No.	As at 31 March, 2014	As at 31 March, 2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
a. Share capital	3	21,759.06	21,759.06
b. Reserves and surplus	4	2,46,375.37	2,44,036.22
		<b>2,68,134.43</b>	<b>2,65,795.28</b>
<b>2. Non-current liabilities</b>			
a. Long-term borrowings	5	59,543.23	58,554.22
b. Other long-term liabilities	6	16,525.23	16,445.64
c. Long-term provisions	7	380.16	315.73
		<b>76,448.62</b>	<b>75,315.59</b>
<b>3. Current liabilities</b>			
a. Short-term borrowings	8	72,732.58	62,138.00
b. Trade payables	9	90,686.37	98,032.66
c. Other current liabilities	10	98,022.51	89,519.24
d. Short-term provisions	11	18,839.60	17,819.84
		<b>2,80,281.06</b>	<b>2,67,509.74</b>
		<b>6,24,864.11</b>	<b>6,08,620.61</b>
<b>II. ASSETS</b>			
<b>1. Non-current assets</b>			
a. Fixed assets			
- Tangible assets	12	11,690.37	12,443.22
- Capital work-in-progress		52,556.74	48,568.18
		64,247.11	61,011.40
b. Non-current investments	13	51,267.80	45,037.84
c. Deferred tax assets	14	423.65	418.69
d. Long-term loans and advances	15	49,964.43	48,050.34
		<b>1,65,902.99</b>	<b>1,54,518.27</b>
<b>2. Current assets</b>			
a. Inventories	16	2,99,083.58	2,93,216.22
b. Trade receivables	17	57,811.64	62,631.41
c. Cash and bank balances	18	7,571.25	8,847.59
d. Short-term loans and advances	19	21,046.98	22,922.46
e. Other current assets	20	73,447.67	66,484.66
		<b>4,58,961.12</b>	<b>4,54,102.34</b>
		<b>6,24,864.11</b>	<b>6,08,620.61</b>

See accompanying notes forming part of the financial statements

In terms of our report attached  
For **DELOITTE HASKINS & SELLS**  
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-  
**ALKA CHADHA**  
Partner

Sd/-  
**PRADEEP KUMAR JAIN**  
Chairman

Sd/-  
**SANJEEV KUMAR JAIN**  
Managing Director & CEO

Sd/-  
**R. J. KAMATH**  
Director

Sd/-  
**M.C. JAIN**  
Group Chief Financial Officer

Sd/-  
**V. MOHAN**  
Company Secretary

Place: New Delhi  
Date: 28 May, 2014

Place: New Delhi  
Date: 28 May, 2014

## Statement of Profit and Loss for the year ended 31 March, 2014

(₹ in Lacs)

	Note No.	Year ended 31 March, 2014	Year ended 31 March, 2013
1. Revenue from operations	21	42,824.69	45,866.02
2. Other income	22	4,005.85	3,746.77
<b>3. Total revenue (1+2)</b>		<b>46,830.54</b>	<b>49,612.79</b>
<b>4. Expenses</b>			
a. Cost of land/ development rights		7,219.59	10,971.91
b. Cost of materials consumed	23	3,087.32	6,550.22
c. Purchases of stock-in-trade	24	28.29	41.84
d. Contract cost, labour and other charges		4,435.95	5,640.67
e. Changes in inventories of finished goods and work-in-progress	25	2,823.15	(9,095.35)
f. Employee benefits expense	26	4,403.18	4,139.32
g. Finance costs	27	13,147.25	10,147.68
h. Depreciation and amortisation expense	12	1,242.76	1,162.47
i. Other expenses	28	5,884.97	6,898.58
<b>Total expenses</b>		<b>42,272.46</b>	<b>36,457.34</b>
<b>5. Profit before tax (3 - 4)</b>		<b>4,558.08</b>	<b>13,155.45</b>
<b>6. Tax expense:</b>			
a. Current tax expense		2,223.89	5,657.61
b. Deferred tax charge/(credit)		(4.96)	130.47
Net tax expense		<b>2,218.93</b>	<b>5,788.08</b>
<b>7. Profit for the year (5 - 6)</b>		<b>2,339.15</b>	<b>7,367.37</b>
<b>8. Earnings per share</b>			
(Face value ₹ 5/- per equity share)			
Basic and diluted	58	0.54	1.69

See accompanying notes forming part of the financial statements

In terms of our report attached

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-  
**ALKA CHADHA**  
Partner

Sd/-  
**PRADEEP KUMAR JAIN**  
Chairman

Sd/-  
**SANJEEV KUMAR JAIN**  
Managing Director & CEO

Sd/-  
**R. J. KAMATH**  
Director

Sd/-  
**M.C. JAIN**  
Group Chief Financial Officer

Sd/-  
**V. MOHAN**  
Company Secretary

Place: New Delhi  
Date: 28 May, 2014

Place: New Delhi  
Date: 28 May, 2014

## Cash Flow Statement for the year ended 31 March, 2014

(₹ in Lacs)

	Year ended 31 March, 2014	Year ended 31 March, 2013
<b>1. Cash flow from operating activities</b>		
Profit before tax	4,558.08	13,155.45
Adjustments for:		
Depreciation and amortisation expense	1,242.76	1,162.47
(Profit) / loss on sale of fixed assets	(26.43)	(280.02)
Finance costs	28,603.02	23,824.51
Interest income	(3,314.62)	(2,587.02)
Share of (profit)/loss from AOPs	0.40	8.66
Provision for employee benefits	62.67	24.74
Operating profit before working capital changes	31,125.88	35,308.79
Changes in working capital:		
Adjustments for (increase)/decrease in operating assets:		
Inventories	(5,867.36)	(22,650.50)
Trade receivables	4,819.77	(12,561.74)
Short-term loans and advances	1,875.48	2,553.54
Long-term loans and advances	(1,914.09)	(471.90)
Other current assets	(4,528.31)	13,224.69
Adjustments for increase/(decrease) in operating liabilities:		
Trade payables	(7,346.29)	(2,526.19)
Other current liabilities	10,889.49	16,882.74
Other long-term liabilities	79.59	1,439.87
Cash generated from/(used in) operations	29,134.16	31,199.30
Net income tax paid	(2,723.60)	(2,263.69)
<b>Net cash flow from / (used in) operating activities</b>	<b>26,410.56</b>	<b>28,935.61</b>
<b>2. Cash flow from investing activities</b>		
Capital expenditure on fixed assets (including capital work-in-progress and capital advances)	(4,578.57)	(7,146.85)
Proceeds from sale of fixed assets	126.53	729.28
(Increase) / decrease in fixed deposits with banks (not considered as cash and cash equivalents)	533.17	6,575.86
Decrease in unpaid dividend account with banks	0.07	0.03
Investment in joint ventures	0.40	(2.22)
Purchase of long-term investments		
- Subsidiaries	(7,788.36)	(3.50)
- Others	-	(0.25)
Redemption/sale of long-term investments		
- Subsidiaries	8.00	-
- Others	1,550.00	-
Interest received	879.92	1,237.29
Share of Profit/(loss) from AOPs	(0.40)	(8.66)
<b>Net cash flow from / (used in) investing activities</b>	<b>(9,269.24)</b>	<b>1,380.98</b>

(₹ in Lacs)

	<b>Year ended 31 March, 2014</b>	<b>Year ended 31 March, 2013</b>
<b>3. Cash flow from financing activities</b>		
Finance costs	(21,715.30)	(21,943.64)
Increase / (decrease) in working capital borrowings	(94.42)	(9,074.94)
Proceeds from other short-term borrowings	30,265.17	48,235.44
Repayment of other short-term borrowings	(19,576.17)	(23,407.55)
Proceeds from long-term borrowings	13,450.00	36,423.00
Repayment of long-term borrowings	(20,213.70)	(60,498.86)
<b>Net cash flow from / (used in) financing activities</b>	<b>(17,884.42)</b>	<b>(30,266.55)</b>
<b>4. Net increase / (decrease) in Cash and cash equivalents</b>	<b>(743.10)</b>	<b>50.04</b>
<b>5. Cash and cash equivalents at the beginning of the year</b>	<b>1,537.90</b>	<b>1,487.86</b>
<b>6. Cash and cash equivalents at the end of the year</b>	<b>794.80</b>	<b>1,537.90</b>
<b>Reconciliation of cash and cash equivalents with the balance sheet:</b>		
Cash and cash equivalents as per Cash Flow Statement	794.80	1,537.90
Add: bank deposits not considered as cash and cash equivalent	6,738.34	7,271.51
Add: balance in bank account earmarked for payment of unpaid dividend	38.11	38.18
<b>Cash and bank balances as per Balance Sheet (see note 18)</b>	<b>7,571.25</b>	<b>8,847.59</b>

See accompanying notes forming part of the financial statements

In terms of our report attached

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-  
**ALKA CHADHA**  
Partner

Sd/-  
**PRADEEP KUMAR JAIN**  
Chairman

Sd/-  
**SANJEEV KUMAR JAIN**  
Managing Director & CEO

Sd/-  
**R. J. KAMATH**  
Director

Sd/-  
**M.C. JAIN**  
Group Chief Financial Officer

Sd/-  
**V. MOHAN**  
Company Secretary

Place: New Delhi  
Date: 28 May, 2014

Place: New Delhi  
Date: 28 May, 2014

# Notes forming part of the financial statements

## NOTE 1: BACKGROUND

**PARSVNATH DEVELOPERS LIMITED** ("the Company") is a Company registered under the Companies Act, 1956. It was incorporated on 24 July, 1990. The Company is primarily engaged in the business of promotion, construction and development of integrated townships, residential & commercial complexes, multistoried buildings, flats, houses, apartments, shopping malls, IT parks, hotels, SEZ, etc.

## NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

### a. Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/ 2013 Act, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

### b. Use of estimates

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

### c. Inventories

Inventory comprises completed property for sale and property under construction (work-in-progress).

- i. Completed unsold inventory is valued at lower of cost and net realisable value. Cost is determined by including cost of land (including development rights), materials, services, related overheads and apportioned borrowing costs.
- ii. Work-in-progress is valued at lower of cost and net

realisable value. Cost comprises cost of land (including development rights), materials, services, overheads related to projects under construction and apportioned borrowing costs.

### d. Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### e. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### f. Fixed assets

Fixed assets are carried at cost less accumulated depreciation. The cost of fixed assets comprises its purchase price, directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition or construction of qualifying fixed assets, up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase/completion is capitalised only if such expenditure results in an increase in the future benefits from such assets beyond its previously assessed standard of performance.

### g. Depreciation

- i. Depreciation on fixed assets is provided on written down value method as per the rates prescribed in Schedule XIV to the Companies Act, 1956 or based on the management's estimates of the useful life of the assets, whichever is higher. Accordingly, the depreciation rates used are as under:

Building	5.00%
Plant and machinery	30.00%
Office equipment	30.00%
Shuttering and scaffolding	40.00%
Furniture and fixtures	30.00%
Motor vehicles	25.89%
Computers	60.00%

- ii. Cost of building on land held on license basis is amortized over the period of license of project facility on straight line

## Notes forming part of the financial statements

basis.

- iii. Assets costing ₹ 5,000 or less individually are fully depreciated in the year of purchase.

### **h. Capital work-in-progress**

Projects under which tangible fixed assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing costs.

### **i. Pre-operative expenditure pending allocation**

Pre-operative expenditure incurred in relation to construction of fixed assets in respect of projects which are yet to commence commercial operations pending allocation includes:

- i. Incidental expenditure during construction period comprising payment to and provision for employees, professional fees and other administrative expenses pending allocation to fixed assets on completion of the Project.
- ii. Borrowing costs net of interest income pending allocation to fixed assets on completion of the Project.

### **j. Revenue recognition**

- i. Revenue from real estate projects including integrated townships is recognised on the 'Percentage of Completion Method' of accounting. Revenue is recognized, in relation to the sold areas only, on the basis of percentage of actual cost incurred thereon including land as against the total estimated cost of the project under execution subject to such actual costs being 30% or more of the total estimated cost. The estimates of saleable area and costs are revised periodically by the management. The effect of such changes to estimates is recognised in the period such changes are determined.

In accordance with Revised Guidance Note issued by the Institute of Chartered Accountants of India (ICAI), on 'Accounting for Real Estate Transactions (Revised 2012)'; revenue recognition for all real estate projects commencing on or after 1 April, 2012 or where the revenue is recognised for the first time on or after 1 April, 2012, revenue is recognised on percentage of completion method if (a) actual construction and development cost (excluding land cost) incurred is 25% or more of the estimated cost, (b) At least 25% of the saleable project area is secured by contracts or agreements with buyers and (c) At least 10% of the total revenue as per sales agreement or any other legally enforceable document are realised as at the reporting date. However, there was no such project

during the year.

- ii. In case of joint development projects, revenue is recognised to the extent of Company's percentage share of the underlying real estate development project.
- iii. Revenue from sale of land without any significant development is recognised when the agreement to sell is executed resulting in transfer of all significant risk and rewards of ownership and possession is handed over to the buyer.
- iv. Revenue from sale of development rights is recognised when agreements are executed.
- v. Income from construction contracts is recognised by reference to the stage of completion of the contract activity at the reporting date of the financial statements. The related costs there against are charged to the Statement of profit and loss of the year. The stage of completion of the contract is measured by reference to the proportion that contract cost incurred for work performed up to the reporting date bears to the estimated total contract cost for each contract.
- vi. Any expected loss on real estate projects or construction contracts is recognised as an expense when it is certain that the total cost will exceed the total revenue.
- vii. The revenue on account of interest on delayed payment by customers and expenditure on account of compensation/penalty for project delays are accounted for at the time of acceptance/settlement with the customers due to uncertainties with regard to determination of amount receivable/payable.
- viii. Income from license fee is recognised on accrual basis in accordance with the terms of agreement with the sub-licensees.
- ix. Interest income is recognised on accrual basis on a time proportion basis.
- x. Dividend income is recognised when the Company's right to receive dividend is established.

### **k. Cost of construction/development**

Cost of construction/development (including cost of land/development rights) incurred is charged to the Statement of profit and loss proportionate to project area sold. Adjustments, if required, are made on completion of the respective projects.

## Notes forming part of the financial statements

### **l. Unbilled receivables**

Unbilled receivables represent revenue recognised on 'Percentage of Completion Method' less amount due from customers as per payment plans adopted by them.

### **m. Foreign currency transactions and translations**

- i. Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.
- ii. Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.
- iii. Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

### **n. Investments**

Investments intended to be held for more than a year are classified as long term investments. All other investments are classified as current investments. Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

### **o. Employee benefits**

Employee benefits include provident fund, employee state insurance scheme, gratuity and compensated absences.

- i. **Defined contribution plan**  
The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.
- ii. **Defined benefit plan**  
For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already

vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

### **iii. Short-term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

### **iv. Long term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

### **p. Borrowing cost**

Borrowing costs include interest and amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets.

### **q. Segment reporting**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

### **r. Leases**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

## Notes forming part of the financial statements

Assets given under operating leases are included in fixed assets. Lease income is recognised in the Statement of Profit and Loss on a straight line basis over the lease term. Costs, including depreciation are recognised as expense in the Statement of Profit and Loss.

### s. Earnings per share

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax 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.

### t. Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

### u. Accounting for joint ventures

i. Jointly controlled operations – The Company's share of revenue, expenses, assets and liabilities are included in

the financial statements as revenue, expenses, assets and liabilities respectively.

ii. Jointly controlled entities – The Company's investment in jointly controlled entities is reflected as investment and accounted for in accordance with the Company's accounting policy of Investments (see note 2 n above).

### v. Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

### w. Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

### x. Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

### y. Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 48 months for real estate projects and 12 months for others for the purpose of classification of its assets and liabilities as current and non-current.

## Notes forming part of the financial statements

### NOTE 3: SHARE CAPITAL

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	₹ in Lacs	Number of shares	₹ in Lacs
<b>a. Authorised</b>				
i. Equity shares of ₹ 5/- each	60,00,00,000	30,000.00	60,00,00,000	30,000.00
ii. Preference shares of ₹ 10/- each	5,00,00,000	5,000.00	5,00,00,000	5,000.00
	<b>65,00,00,000</b>	<b>35,000.00</b>	<b>65,00,00,000</b>	<b>35,000.00</b>
<b>b. Issued, subscribed and fully paid up</b>				
i. Equity shares of ₹ 5/- each	43,51,81,170	21,759.06	43,51,81,170	21,759.06
	<b>43,51,81,170</b>	<b>21,759.06</b>	<b>43,51,81,170</b>	<b>21,759.06</b>

Refer notes (i) to (iii) below:

#### i. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	₹ in Lacs	Number of shares	₹ in Lacs
<b>Equity shares of ₹ 5/- each, fully paid up:</b>				
i. Outstanding at the beginning of the year	43,51,81,170	21,759.06	43,51,81,170	21,759.06
ii. Issued during the year	-	-	-	-
iii. Outstanding at the end of the year	<b>43,51,81,170</b>	<b>21,759.06</b>	<b>43,51,81,170</b>	<b>21,759.06</b>

#### ii. Rights, preferences and restrictions attached to equity shares:

The Company has issued only one class of equity shares having a par value of ₹ 5/- per share. Each holder of equity shares is entitled to one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### iii. Details of equity shares held by each shareholder holding more than 5% shares in the Company:

Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% holding	Number of shares held	% holding
<b>Equity shares of ₹ 5/- each, fully paid up:</b>				
i. Pradeep Kumar Jain & Sons (HUF)	11,69,16,571	26.866	11,52,49,728	26.483
ii. Pradeep Kumar Jain	11,37,97,153	26.149	10,68,52,559	24.554
iii. Parsvnath and Associates Private Limited	4,72,77,992	10.864	4,72,77,992	10.864
iv. Nutan Jain	4,49,08,974	10.320	4,39,59,644	10.101
v. Fidelity Securities Fund Fidelity Blue Chip Growth Fund	2,17,71,340	5.003	2,17,71,340	5.003

### NOTE 4: RESERVES AND SURPLUS

(₹ in Lacs)

Particulars	As at	As at
	31 March, 2014	31 March, 2013
<b>a. Securities premium</b>		
i. As per last balance sheet	1,40,711.41	1,40,711.41
<b>b. Debenture redemption reserve</b>		
i. As per last balance sheet	3,500.00	19,286.00
ii. Less: transferred to surplus in Statement of Profit and Loss	2,000.00	15,786.00
	<b>1,500.00</b>	<b>3,500.00</b>

## Notes forming part of the financial statements

(₹ in Lacs)

Particulars	As at	As at
	31 March, 2014	31 March, 2013
<b>c. General reserve</b>		
i. As per last balance sheet	7,960.00	7,960.00
<b>d. Surplus in Statement of Profit and Loss</b>		
i. As per last balance sheet	91,864.81	68,711.44
ii. Add: profit for the year	2,339.15	7,367.37
iii. Add: transferred from debenture redemption reserve	2,000.00	15,786.00
	96,203.96	91,864.81
	<b>2,46,375.37</b>	<b>2,44,036.22</b>

### NOTE 5: LONG-TERM BORROWINGS

(₹ in Lacs)

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Non-current	Current	Non-current	Current
<b>Secured:</b>				
a. Debentures				
i. 14.80% Non-convertible Redeemable debentures (Series XI)	-	-	-	12,500.00
ii. 16.00% Non-convertible Redeemable debentures (Series VIII)	-	-	-	1,488.51
iii. 18.00% Non-convertible Redeemable debentures (Series XII)	128.57	171.43	-	-
iv. 18.00% Non-convertible Redeemable debentures (Series XIII)	2,442.86	3,257.14	-	-
	2,571.43	3,428.57	-	13,988.51
b. Term loans				
i. From banks	10,789.61	2,890.00	8,552.64	7,229.75
ii. From financial institutions/ others	46,182.19	10,346.96	50,001.58	3,199.98
	56,971.80	13,236.96	58,554.22	10,429.73
	<b>59,543.23</b>	<b>16,665.53</b>	<b>58,554.22</b>	<b>24,418.24</b>
Less: Amount disclosed under "Other current liabilities" (Refer Note 10)	-	16,665.53	-	24,418.24
	<b>59,543.23</b>	-	<b>58,554.22</b>	-

#### i. Details of terms of repayment and securities provided in respect of secured debentures are as under:

(₹ in Lacs)

Particulars	As at	As at
	31 March, 2014	31 March, 2013
a. 18% NCDs of ₹ 300 lacs were issued during the year ended 31 March, 2014. The NCDs are secured by 1st pari-passu charge by way of registered mortgage over development rights of Exotica, Gurgaon Project, all unsold units of the project developed/being developed by the Company, Parsvnath Hessa Developers Private Limited and Parsvnath Sharmistha Realtors Private Limited, charge on receivables of the project and personal guarantee of Chairman, Managing Director and a whole-time Director of the Company. These NCDs are redeemable in 7 quarterly installments commencing from June, 2014 and ending in December, 2015.	300.00	-

## Notes forming part of the financial statements

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
b. 18% NCDs of ₹ 5,700 lacs were issued during the year ended 31 March, 2014. The NCDs are secured by 1st pari-passu charge by way of equitable mortgage over development rights of Exotica, Gurgaon Project, all unsold units of the project developed/being developed by the Company, Parsvnath Hessa Developers Private Limited and Parsvnath Sharmistha Realtors Private Limited, charge on receivables of the project and personal guarantee of Chairman, Managing Director and a whole-time Director of the Company. These NCDs are redeemable in 7 quarterly installments commencing from June, 2014 and ending in December, 2015.	5,700.00	-
c. 14.80% NCDs of ₹ 12,500 lacs were issued during the year ended 31 March, 2011. The NCDs were secured by equitable mortgage of project land at Rohtak and Sonapat and charge on receivables of these projects through escrow account and personal guarantee of Chairman. These NCDs were redeemable in 4 quarterly installments commencing from June, 2013 and ending in March, 2014. Accordingly, these NCDs were fully redeemed during the year.	-	12,500.00
d. 16.00% NCDs of ₹ 6,000 lacs were issued during the year ended 31 March, 2011. The NCDs were secured by pledge of equity shares of the Company held by the promoters and registered mortgage of office space at Arunachal Building, Connaught Place, New Delhi. The NCDs were further secured by cross collateralization clause with NCDs of ₹ 12,500 lacs and personal guarantee of Chairman. These NCDs were redeemable in 24 monthly installments commencing from October, 2011 and ending in August, 2013. Accordingly, these NCDs were fully redeemed during the year.	-	1,488.51
	<b>6,000.00</b>	<b>13,988.51</b>

### ii. Details of terms of repayment and securities provided in respect of secured term loans are as under:

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
a. Term loan from a bank is secured by mortgage of project land at Greater Noida, hypothecation of present and future receivables of the said project and personal guarantee of Chairman. The term loan is repayable in 6 quarterly installments commencing from November, 2014 and ending in February, 2016.	12,499.61	12,549.61
b. Term Loan from two banks and a financial institution under consortium arrangement is secured by pari-passu charge by way of (a) equitable mortgage of land at Saharanpur, (b) 2nd pari-passu charge over receivables of commercial space at Akshardham project and charge over receivable of Saharanpur land, and (c) corporate guarantee of land owning companies. The term loan is repayable in quarterly installments commencing from December, 2010 and ending in March, 2016.	1,524.00	2,109.03
c. Term loan from a financial institution is secured by equitable mortgage of project land at Indore and Kurukshetra, charge on receivables of project 'Pragati' Dharuhera and personal guarantee of Chairman. The term loan is repayable in 57 monthly installments commencing from October, 2012 and ending in June, 2017.	13,642.56	13,642.56
d. Term loan from a non-banking financial Company is secured by equitable mortgage of property at Hauz Khas, pledge of 150 lacs (fixed) equity shares of the Company held by the promoters, cross default clause with other loans from the lender, personal guarantee of Chairman, Managing Director and a whole-time Director of the Company and charge on receivables of project Sonapat Group Housing II through an escrow account. The term loan is repayable in 30 monthly installments commencing from August, 2013 and ending in January, 2016.	5,022.59	6,000.00

## Notes forming part of the financial statements

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
e. Term loans from non-banking financial Company are secured by (1) equitable mortgage of (a) project land at K.G. Marg, New Delhi, (b) Group Housing and commercial land at Derabassi, (c) Land at Alipur, New Delhi and (2) charge on receivables of the projects through escrow mechanism at (a) K.G. Marg, New Delhi, (b) Parsvnath City, Dharuhera, (c) Parsvnath Royale, Panchkula (d) Group Housing, commercial and plotted area at Derabassi (e) plotted area of Narayan City, Jaipur, (f) plotted area of Paliwal city, Panipat and (3) Cross collateralisation of the securities with other loans from the lender and personal guarantee of Chairman, Managing Director and a Whole-time Director of the Company. The term loan is repayable in monthly installments commencing from July, 2014 and ending in July, 2021.	34,400.00	33,000.00
f. Term loan from a non-banking financial Company is secured by (a) registered mortgage of project land at Bohar, Rohtak (b) equitable mortgage of project land at Rajpura, Patiala (c) charge on receivables of both the projects through escrow mechanism, and (d) Cross collateralisation of the securities with others loans from the lender and personal guarantee of Chairman, Managing Director and a whole-time Director of the Company. The term loan is repayable in 57 monthly installments commencing from November, 2013 and ending in July, 2018.	1,120.00	-
g. Term loan from a financial institution is secured by pledge of equity shares of the Company held by the promoters and pari-passu charge by way of equitable mortgage of commercial land at Goa and Jodhpur and personal guarantee of Chairman, Managing Director and a whole-time Director of the Company. The term loan is repayable in 36 monthly installments commencing from March, 2015 and ending in February, 2018.	2,000.00	
h. Term loan from three banks under consortium arrangement is secured by (a) 2nd pari-passu charge through escrow account on all receivables of commercial space at the 8 DMRC Stations namely Shahdara, Azadpur, Kashmiri Gate, Seelampur (Station Box), Pratap Nagar, Tis Hazari, Inderlok (Annexe) and Inderlok (Station Box) subject to prior charge of DMRC to the extent of outstanding dues, (b) corporate guarantee of Parsvnath and Associates Private Limited, (c) personal guarantee of Chairman, Managing Director and a whole-time Director of the Company, and (d) pledge of equity shares of the Company held by the promoters. The term loan was repayable in 17 quarterly installments commencing from October, 2009 and ending in October, 2013. Loan has been fully repaid during the year.	-	1,682.75
	<b>70,208.76</b>	<b>68,983.95</b>

### iii. Details of long term borrowings guaranteed by some of the directors:

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
a. Debentures	6,000.00	13,988.51
b. Term loans from banks	12,499.61	14,232.36
c. Term loans from financial institutions/others	56,185.15	52,642.56
	<b>74,684.76</b>	<b>80,863.43</b>

### iv. The rate of interest applicable on long term borrowings are as under:

Particulars	Outstanding Amount	Rate of interest per annum
	₹ in Lacs	%
a. Debentures	6,000.00	18.00%
b. Term loans from banks	13,679.61	15.50% to 16.50%
c. Term loans from financial institutions/others	56,529.15	13.50% to 19.97%

## Notes forming part of the financial statements

### v. The Company has defaulted in repayment of loans and interest in respect of the following:

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Period of default	₹ in Lacs	Period of default	₹ in Lacs
a. Term loans from banks				
- Principal	1 to 31 days	178.00	30 days	63.00
- Interest	1 day	194.71	1 to 59 days	245.38
	31 to 59 days	6.29		
b. Term loans from financial institutions/others				
- Principal	31 to 365 days	2,316.80	21 to 181 days	343.00
- Interest	1 to 89 days	1,654.73	1 to 121 days	716.93
	90 to 179 days	533.28		
	180 to 336 days	1,273.18		

### NOTE 6: OTHER LONG-TERM LIABILITIES

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
a. Trade / security deposits received	10,699.75	10,715.48
b. Advances from customers	5,825.48	5,730.16
	<b>16,525.23</b>	<b>16,445.64</b>

### NOTE 7: LONG-TERM PROVISIONS

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
a. Provision for employee benefits:		
i. Provision for gratuity	284.65	232.98
ii. Provision for compensated absences	95.51	82.75
	<b>380.16</b>	<b>315.73</b>

### NOTE 8: SHORT-TERM BORROWINGS

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>Secured:</b>		
a. Loans repayable on demand		
i. From banks - Cash Credit	10,151.65	10,064.20
ii. From banks - Overdraft	-	181.87
	10,151.65	10,246.07
b. Term loans		
i. From banks	500.00	412.50
ii. From Financial Institutions/ Others	55,619.57	44,660.25
	56,119.57	45,072.75

## Notes forming part of the financial statements

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
c. Vehicle loans		
i. From banks	361.67	400.00
ii. From others	18.98	27.60
	380.65	427.60
	<b>66,651.87</b>	<b>55,746.42</b>
<b>Unsecured:</b>		
a. Loans repayable on demand		
i. From other parties	4,392.47	4,776.79
b. Loans and advances from related parties	42.72	199.63
c. Fixed deposits		
i. From Public	1,588.05	1,329.17
ii. From Shareholders	57.47	85.99
	1,645.52	1,415.16
	<b>6,080.71</b>	<b>6,391.58</b>
	<b>72,732.58</b>	<b>62,138.00</b>
<b>i. Details of securities provided in respect of short term borrowings from banks - cash credit are as under:</b>		
a. Cash Credit is secured by first pari-passu charge over current assets of the Company excluding those assets specifically charged to other Banks/Financial Institutions and equitable mortgage of land & building at Moradabad and Greater Noida and personal guarantee of Chairman, Managing Director and a whole-time Director of the Company.	5,194.70	5,039.51
b. Cash Credit is secured by first pari-passu charge over current assets of the Company excluding those assets specifically charged to other Banks/Financial Institutions, equitable mortgage of commercial land at Panipat & Sonapat and personal guarantee of Chairman, Managing Director and a whole-time Director of the Company.	2,529.45	2,505.44
c. Cash Credit is secured by first pari-passu charge over current assets of the Company excluding those assets specifically charged to other Banks/Financial Institutions, equitable mortgage of commercial land at Dharuhera, personal guarantee of Chairman, Managing Director and a whole-time Director of the Company and corporate guarantee of Land owning Companies.	1,409.97	1,506.32
d. Cash Credit is secured by first pari-passu charge over current assets of the Company excluding those assets specifically charged to other Banks/Financial Institutions, equitable mortgage of project land at Rajpura and commercial space at Saharanpur, pledge of term deposit of ₹ 207 lacs, personal guarantee of Chairman, Managing Director and a whole-time Director of the Company and corporate guarantee of a land owning Company.	1,017.53	1,012.93
	<b>10,151.65</b>	<b>10,064.20</b>
<b>ii. Details of securities provided in respect of short-term borrowings from banks - Overdraft are as under:</b>		
a. The Overdraft from banks is secured by way of pledge of fixed deposits with them.	-	<b>181.87</b>
<b>iii. Details of securities provided in respect of term loans from banks and financial institutions / others are as under:</b>		
a. Term loan from a bank is secured by first pari-passu charge over current assets of the Company excluding those assets specifically charged to other Banks / Financial Institutions, equitable mortgage of project land at Rajpura and commercial space at Saharanpur, pledge of term deposit of ₹ 207 lacs, personal guarantee of Chairman, Managing Director and a whole-time Director of the Company and corporate guarantee of a land owning Company.	10.00	412.50

## Notes forming part of the financial statements

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
b. Term Loan from a financial institution is secured by pledge of equity shares of the Company held by the promoters and mortgage of project land at Sonapat and charge on receivables of the said project through escrow accounts, personal guarantee of Chairman, Managing Director and a whole-time Director of the Company and corporate guarantee of land owning Companies.	6,500.00	9,000.00
c. Term loan from a non-banking financial Company is secured by pledge of equity shares of the Company held by the promoters, registered mortgage of project land at Sonapat, personal guarantee of Chairman and cross collateral clause with another term loan from the same non-banking financial Company.	2,969.36	2,969.36
d. Term loan from a financial institution is secured against Keyman Insurance Policy taken by the Company.	670.21	556.26
e. Term loan from a non-banking financial Company is secured by equitable mortgage of property including land and building of project land at Karnal, personal guarantee of Chairman and corporate guarantee of land owning Company.	2,400.00	2,400.00
f. Term loans from non-banking financial Companies are secured by pledge of equity shares of the Company held by the promoters, mortgage of project land of 'Parsvnath Mall' at Rohini, charge on its receivables through escrow account and personal guarantee of Chairman.	21,500.00	21,500.00
g. Term loans from non-banking financial Companies are secured by pledge of equity shares of the Company held by the promoters, mortgage of land of project 'Pleasant - II' at Dharuhera, charge on its receivables and personal guarantee of Chairman.	2,500.00	1,000.00
h. Term loan from a bank is secured by equitable mortgage of plot at Sanwar, Indore, personal guarantee of Chairman, Managing Director and a whole-time Director of the Company and corporate guarantee of a land owning Company.	490.00	-
i. Term loan from a financial institution is secured by pari-passu charge by way of equitable mortgage of commercial lands at Goa & Jodhpur, pledge of equity shares of the Company held by the promoters and personal guarantee of Chairman, Managing Director and a whole-time Director of the Company.	1,080.00	-
j. Term loan from a non-banking financial Company is secured by equitable mortgage of project land at Parsvnath Pratibha, phase -I, Moradabad and charge on its receivables through escrow mechanism, personal guarantee of Chairman and cross collateral clause with another term loan from the same non-banking financial Company.	2,800.00	-
k. Term loan from a non-banking financial Company is secured by pledge of equity shares of the Company held by the promoters, equitable mortgage of project land at Rohtak and Sonapat and charge on its receivables through escrow mechanism, pledge of equity shares of land owing Companies, equitable mortgage of land at City Centre, Bhiwadi and personal guarantee of Chairman.	15,200.00	-
l. Term loan from a financial institution is secured by pledge of equity shares of the Company held by the promoters, personal guarantee of Chairman, Managing Director and a whole-time Director of the Company and equitable mortgage of project lands at Goa and Jodhpur.	-	4,583.79
m. Term loan from a financial institution is secured by equitable mortgage of commercial land at Goa, pledge of equity shares of the Company held by the promoters and personal guarantee of Chairman.	-	1,830.00

## Notes forming part of the financial statements

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
n. Term loan from a non-banking financial Company is secured by registered mortgage of project land at Sonapat, personal guarantee of Chairman and Managing Director and cross collateral clause with another term loan from the same non-banking financial Company.	-	557.44
o. Term loan from a non-banking financial Company is secured by mortgage of few shops at Commercial Mall in Noida.	-	263.40
	<b>56,119.57</b>	<b>45,072.75</b>
<b>iv. Details of securities provided in respect of vehicle loans from banks and others are as under:</b>		
a. Loan taken from a bank for vehicles is secured by way of hypothecation of specific vehicles financed and personal guarantee of Chairman.	361.67	400.00
b. Loan taken from a non-banking financial Company for a vehicle is secured by way of hypothecation of specific vehicle financed.	18.98	27.60
	<b>380.65</b>	<b>427.60</b>
<b>v. Details of short-term borrowings guaranteed by some of the directors:</b>		
a. Loans repayable on demand from banks	10,151.65	10,064.20
b. Term loans from banks and financial institutions/others	55,449.36	44,253.09
c. Loans repayable on demand from others	300.00	300.00
d. Vehicle loans from a bank	361.67	400.00
	<b>66,262.68</b>	<b>55,017.29</b>
<b>vi. The rate of interest applicable on short-term borrowings are as under:</b>		
Particulars	Outstanding Amount	Rate of interest per annum
	₹ in Lacs	%
a. Cash Credit Limits	10,151.65	14.75 % to 17.75%
b. Loans from banks	500.00	15.50% to 16.00%
c. Loans from Financial Institutions	7,580.00	17.50%
d. Loan from a Financial Institution	670.21	9.00%
e. Loans from Non Banking Financial Companies	47,369.36	17.25% to 24.00%
f. Inter Corporate deposits	4,392.47	12.00% to 20.00%
g. Fixed deposits	1,645.52	10.00% to 12.50%
h. Loans from related parties	42.72	12.00% to 18.00%
i. Vehicle loans from bank	361.67	10.45% to 10.70%
j. Vehicle loans from others	18.98	8.04%

### vii. The Company has defaulted in repayment of loans and interest in respect of the following:

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Period of default	₹ in Lacs	Period of default	₹ in Lacs
a. Term loans from banks				
- Principal	83 days	10.00	23 days	37.50
- Interest	1 days	3.66	1 day	5.68
b. Term loans from financial institutions/others				
- Principal	31 to 81 days	1,536.70	16 to 90 days	2,351.23
- Interest	1 to 89 days	1,748.03	1 to 16 days	1,103.96
	90 to 179 days	1,076.68	17 to 335 days	131.42
	180 to 336 days	157.05		

## Notes forming part of the financial statements

### NOTE 9: TRADE PAYABLES

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
a. Other than acceptances:		
i. Trade payables for goods and services	53,992.69	54,067.84
ii. Trade payables for land	36,693.68	43,964.82
	<b>90,686.37</b>	<b>98,032.66</b>

### NOTE 10: OTHER CURRENT LIABILITIES

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
a. Current maturities of long-term debt (Refer Note 5)	16,665.53	24,418.24
b. Interest accrued but not due on borrowings	2,633.00	1,601.58
c. Interest accrued and due on borrowings	6,647.61	2,203.37
d. Unclaimed dividends	38.11	38.18
e. Other payables		
i. Statutory dues	3,236.00	2,085.76
ii. Interest accrued but not due on others	192.83	302.24
iii. Trade / security deposits received	30,546.32	21,017.52
iv. Advances from customers	37,921.22	37,713.52
v. Book overdraft - Banks	141.89	138.83
	<b>98,022.51</b>	<b>89,519.24</b>

### NOTE 11: SHORT-TERM PROVISIONS

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
a. Provision for employee benefits:		
i. Provision for gratuity	134.37	137.19
ii. Provision for compensated absences	54.09	53.03
	<b>188.46</b>	<b>190.22</b>
b. Provision - others:		
i. Provision for tax (net of advance tax ₹ 31,632.93 lacs; as at 31 March, 2013 ₹ 29,029.73 lacs)	18,651.14	17,629.62
	<b>18,839.60</b>	<b>17,819.84</b>

## Notes forming part of the financial statements

### NOTE 12: FIXED ASSETS

₹ in Lacs

Description	Gross block		Accumulated depreciation		Net block		
	As at 01.04.2013	As at Additions Deduction/ adjustment	As at 31.03.2014	As at 01.04.2013	For the Year adjustment	As at 31.03.2014	As at 31.03.2013
<b>TANGIBLE ASSETS:</b>							
<b>OWN ASSETS:</b>							
Land and building	2,187.10	-	2,183.82	499.70	81.60	1,603.93	1,687.40
Building on leasehold land	12,297.40	20.00	12,288.28	2,706.44	683.91	8,918.04	9,590.96
Plant and machinery	3,563.26	-	3,563.26	3,097.47	139.73	3,237.20	465.79
Shuttering and scaffolding	4,121.27	-	4,120.49	3,932.30	75.59	4,007.14	188.97
Furniture and fixtures	1,349.80	1.98	1,351.78	1,176.53	52.35	1,228.88	173.27
Motor vehicles	1,240.14	565.13	1,234.48	988.40	181.83	688.62	251.74
Office equipment	596.18	2.69	598.79	515.80	24.85	540.57	80.38
Computers	431.55	0.21	430.89	426.84	2.90	428.88	4.71
<b>Total</b>	<b>25,786.70</b>	<b>590.01</b>	<b>25,771.79</b>	<b>13,343.48</b>	<b>1,242.76</b>	<b>14,081.42</b>	<b>12,443.22</b>
Previous year	25,977.12	332.37	25,786.70	12,254.54	1,162.47	13,343.48	13,722.58

## Notes forming part of the financial statements

### NOTE 13: NON-CURRENT INVESTMENTS

(At Cost)

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>A. Trade Investments (Unquoted)</b>		
<b>a. Investment in equity shares of:</b>		
<b>i. Subsidiaries</b>		
a. Parsvnath Landmark Developers Private Limited * \$ 25,60,000 (Previous Year 25,60,000) Equity Shares of ₹ 10/- each fully paid-up	3,590.98	3,590.98
b. Parsvnath Infra Limited 2,60,49,400 (Previous year 2,60,49,400) Equity Shares of ₹ 10/- each fully paid-up	2,604.94	2,604.94
c. Parsvnath Film City Limited 17,50,000 (Previous year 17,50,000) Equity Shares of ₹ 10/- each fully paid-up	175.00	175.00
d. Parsvnath Retail Limited Nil (Previous year 80,000) Equity Shares of ₹ 10/- each fully paid-up	-	8.00
e. PDL Assets Limited 60,000 (Previous year 60,000) Equity Shares of ₹ 10/- each fully paid-up	6.00	6.00
f. Parsvnath Hotels Limited 54,00,000 (Previous year 54,00,000) Equity Shares of ₹ 10/- each fully paid-up	1,350.00	1,350.00
g. Parsvnath Telecom Private Limited 10,30,000 (Previous year 10,30,000) Equity Shares of ₹ 10/- each fully paid-up	103.00	103.00
h. Parsvnath Developers Pte. Limited 4,56,920 (Previous year 4,56,920) Equity Shares of SGD 1 each fully paid-up	145.49	145.49
i. Primetime Realtors Private Limited \$ 10,000 (Previous year 10,000) Equity Shares of ₹ 10/- each fully paid-up	1.00	1.00
j. Parsvnath Hessa Developers Private Limited ## Nil (Previous year 10,040) Class 'A' Equity Shares of ₹ 10/- each fully paid-up	-	1.00
k. Parsvnath Hessa Developers Private Limited ## Nil (Previous year 22,50,000) Class 'C' Equity Shares of ₹ 10/- each fully paid-up	-	9,000.00
l. Parsvnath Hessa Developers Private Limited ## \$ 49,60,040 (Previous year Nil) Equity Shares of ₹ 10/- each fully paid-up	11,755.90	-
m. Parsvnath Promoters and Developers Private Limited* 1,69,326 (previous year 1,69,326) Equity Shares of ₹ 10/- each fully paid-up	1,657.99	1,657.99
n. Parsvnath Estate Developers Private Limited * \$ 37,75,000 (previous year 37,75,000) Class 'A' Equity Shares of ₹ 10/- each fully paid-up	377.50	377.50

## Notes forming part of the financial statements

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
o. Parsvnath Buildwell Private Limited* 5,01,000 (Previous year 5,01,000) Class 'A' Equity Shares of ₹ 10/- each fully paid-up	50.10	50.10
p. Parsvnath Buildwell Private Limited* 90,000 (Previous year 90,000) Class 'C' Equity Shares of ₹ 10/- each fully paid-up	180.00	180.00
q. Parsvnath Rail Land Project Private Limited % # @ 1,20,000 (Previous year 10,000) Equity Shares of ₹ 10/- each fully paid-up	1,145.00	1.00
r. Parsvnath HB Projects Private Limited 25,000 (Previous year 25,000) Equity Shares of ₹ 10/- each fully paid-up	2.50	2.50
	23,145.40	19,254.50
<b>ii. Associates</b>		
a. Amazon India Limited 25,000 (Previous year 25,000) Equity Shares of ₹ 10/- each fully paid-up	212.50	212.50
b. Home Life Real Estate Private Limited 7,75,000 (Previous year 7,75,000) Equity Shares of ₹ 10/- each fully paid-up	77.50	77.50
c. Vardaan Buildtech Private Limited 16,000 (Previous year 16,000) Equity Shares of ₹ 10/- each fully paid-up	1.60	1.60
d. Nanocity Haryana Infrastructure Limited Nil (Previous year 38,00,000 ) Equity Shares of ₹ 10/- each, amount paid-up was ₹ 3.73 per equity share	-	1,550.00
	291.60	1,841.60
<b>iii. Other entities</b>		
a. Nakshatra Residency Private Limited 5,000 (Previous year 5,000) Equity Shares of ₹ 10/- each fully paid-up	0.50	0.50
b. Aadi Best Consortium Private Limited 1,000 (Previous year 1,000) Equity Shares of ₹ 10/- each fully paid-up	0.10	0.10
c. Honey Builders Limited \$ 2,500 (Previous year 2,500) Equity Shares of ₹ 10/- each fully paid-up	0.25	0.25
	0.85	0.85
<b>Total (a)</b>	<b>23,437.85</b>	<b>21,096.95</b>
<b>b. Investment in preference shares of:</b>		
<b>i. Subsidiaries</b>		
a. Parsvnath Buildwell Private Limited 4,84,170 (previous year 4,84,170) 0.000001% Optionally Convertible Preference Shares of ₹ 100/- each fully paid-up	9,683.40	9,683.40
<b>Total (b)</b>	<b>9,683.40</b>	<b>9,683.40</b>

## Notes forming part of the financial statements

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>c. Investment in debentures of:</b>		
<b>i. Subsidiaries</b>		
a. Parsvnath Promoters and Developers Private Limited 9,34,30,096 (previous year 9,34,30,096) 16.00% Optionally convertible Debentures of ₹ 10/- each fully paid-up	9,343.01	9,343.01
b. Parsvnath Estate Developers Private Limited \$ 1,63,53,500 (previous year 1,63,53,500) 15.50% Optionally convertible Debentures of ₹ 10/- each fully paid-up	1,635.35	1,635.35
c. Parsvnath Buildwell Private Limited 10,83,593 (previous year 10,83,593) 15.50% Fully Convertible Debentures of ₹ 100/- each fully paid-up	1,083.59	1,083.59
d. Parsvnath Hessa Developers Private Limited \$ 45,00,000 (previous year Nil) 14.00% Fully Convertible Debentures of ₹ 100/- each fully paid-up	669.27	-
e. Parsvnath Rail Land Project Private Limited # 3,09,634 (previous year Nil) 17.50% Series 'B' Optionally convertible Debentures of ₹ 1,040/- each fully paid-up	3,220.19	-
<b>Total (c)</b>	<b>15,951.41</b>	<b>12,061.95</b>
<b>d. Investment in share warrants of:</b>		
<b>i. Subsidiaries</b>		
a. Parsvnath Estate Developers Private Limited \$ 46,01,500 (previous year 46,01,500) Share Warrants of ₹ 10/- each fully paid-up	460.15	460.15
<b>Total (d)</b>	<b>460.15</b>	<b>460.15</b>
<b>e. Investment In Association of Persons (AOP):</b>		
i. Ratan Parsvnath Developers (AOP)	629.03	629.43
<b>Total (e)</b>	<b>629.03</b>	<b>629.43</b>
<b>Total - Trade Investments (A)</b>	<b>50,161.84</b>	<b>43,931.88</b>
<b>B. Other Investments (Unquoted)</b>		
<b>a. Investment in equity shares of :</b>		
<b>i. Other entities</b>		
a. Delhi Stock Exchange Limited 14,96,500 (Previous year 14,96,500) Equity Shares of ₹ 1/- each fully paid-up	1,047.55	1,047.55
b. Jaipur Stock Exchange Limited 3,24,500 (Previous year 3,24,500) Equity Shares of ₹ 1/- each fully paid-up	58.41	58.41
<b>Total - Other Investments (B)</b>	<b>1,105.96</b>	<b>1,105.96</b>
<b>Total Non Current Investment (A+B)</b>	<b>51,267.80</b>	<b>45,037.84</b>
Aggregate amount of quoted investments	-	-
Market value of quoted investments	-	-
Aggregate amount of unquoted investments	<b>51,267.80</b>	<b>45,037.84</b>

\* Investment in these shares are subject to non disposal undertakings furnished in favour of Investors for investments made in the respective companies.

% 49% of shares are subject to non disposal undertaking furnished in favour of a non-banking financial Company towards securities against loan taken.

## Notes forming part of the financial statements

- # Parsvnath Rail Land Project Private Limited is considered as a Subsidiary on the basis of Voting Power in the said Company.
- ## The Class A and Class C shares held by the Company in Parsvnath Hessa Developers Private Limited were reclassified into one category of shares with effect from 18 December, 2013.
- \$ The securities have been pledged with banks / non-banking financial companies / debenture trustees towards securities against loans taken / debentures issued.
- @ 5,100 shares have been pledged with a non-banking financial Company towards securities against loan taken.

### NOTE 14: DEFERRED TAX ASSETS

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
Break-up of deferred tax assets is as follows:		
Tax effect of provision for employee benefits charged in the financial statements but allowable as deductions in future years under Income Tax Act	284.93	250.82
Tax effect of difference between carrying amount of fixed assets in the financial statements and the income tax return	138.72	167.87
<b>Deferred tax assets</b>	<b>423.65</b>	<b>418.69</b>

### NOTE 15: LONG-TERM LOANS AND ADVANCES

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>Unsecured, considered good</b>		
a. Security deposits	3,691.27	3,583.60
b. Advances for investment to related parties	-	33.50
c. Advances for land purchase to related parties	15,480.07	21,156.56
d. Advances for land purchase to others	11,910.56	4,100.22
e. Loans and advances to related parties	3,074.39	2,598.47
f. Upfront fee paid for projects (Unamortised)	14,700.88	15,441.63
g. Prepaid expenses	1,107.26	1,136.36
	<b>49,964.43</b>	<b>48,050.34</b>
Note: Long term loans and advances include amounts due from:		
a. Private Companies in which any director is a director or member (see note 45)	2,994.07	2,924.05

### NOTE 16: INVENTORIES

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
(At lower of cost and net realisable value)		
a. Work-in-progress (Projects)	295,054.30	287,641.52
b. Finished flats	4,029.28	5,574.70
	<b>299,083.58</b>	<b>293,216.22</b>

## Notes forming part of the financial statements

### NOTE 17: TRADE RECEIVABLES

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
(Unsecured, considered good)		
a. Outstanding for a period exceeding six months from the date they were due for payment	31,816.72	36,247.57
b. Other trade receivables	25,994.92	26,383.84
	<b>57,811.64</b>	<b>62,631.41</b>
Notes:		
i. Other trade receivables include ₹ 13,888.26 lacs (previous year ₹ 16,447.44 lacs) on account of receivables which have not yet become due for payment.		
ii. Trade receivables include amounts due from:		
a. Private Companies in which any director is a director or member (see note 46)	0.54	479.95

### NOTE 18: CASH AND BANK BALANCES

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>A. Cash and cash equivalents:</b>		
a. Cash on hand	68.43	57.22
b. Cheques and drafts on hand	-	108.89
c. Balances with banks		
i. In current accounts	637.37	1,238.59
ii. In deposit accounts	89.00	133.20
	794.80	1,537.90
<b>B. Other bank balances:</b>		
a. Deposits with banks held as margin money or security against borrowings or guarantees	6,738.34	7,271.51
b. Balances with banks in earmarked accounts		
i. Unpaid dividend accounts	38.11	38.18
	6,776.45	7,309.69
	<b>7,571.25</b>	<b>8,847.59</b>
Of the above, the balances that meet the definition of Cash and cash equivalents as per Accounting Standard 3 - Cash Flow Statement	794.80	1,537.90

Note: Balances with banks include deposits amounting to ₹ 933.22 lacs (Previous year ₹ 2,591.08 lacs), which have a maturity of more than 12 months from the balance sheet date.

### NOTE 19: SHORT-TERM LOANS AND ADVANCES

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
(Unsecured, considered good)		
a. Advances for land purchase to related parties	3,068.50	-
b. Loans and advances to related parties	6,611.11	9,638.92
c. Security deposits	1,200.18	1,643.17
d. Loans and advances to employees	14.64	4.17

## Notes forming part of the financial statements

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
e. Prepaid expenses	2,184.39	2,042.24
f. Balances with government authorities		
i. CENVAT credit receivable	691.35	406.13
g. Others		
i. Advances for land purchase	4,898.91	4,854.89
ii. Advances to suppliers	1,530.90	4,191.23
iii. Others	847.00	141.71
	<b>21,046.98</b>	<b>22,922.46</b>
Note: Short-term loans and advances include amounts due from:		
a. Private Companies in which any director is a director or member (see note 47)	4,046.53	4,364.20

### NOTE 20: OTHER CURRENT ASSETS

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
a. Unbilled receivables	64,601.40	60,439.89
b. Accruals		
i. Interest accrued on deposits with banks	283.08	236.29
ii. Interest accrued on investments	5,768.38	3,322.82
iii. Interest accrued on advances	-	57.65
c. Others		
i. Receivables on sale of fixed assets / investments	2,794.81	2,428.01
	<b>73,447.67</b>	<b>66,484.66</b>

### NOTE 21: REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
a. Revenue from sale of properties (see note 2(j))	39,681.82	41,437.48
<b>Sub-total (a)</b>	<b>39,681.82</b>	<b>41,437.48</b>
b. Sale of services		
i. Income from construction contracts	129.38	1,202.17
ii. Management fee	603.54	659.61
iii. Licence fee income	1,875.70	1,741.90
iv. Rent income	83.59	93.71
v. Maintenance charges income	95.89	216.30
<b>Sub-total (b)</b>	<b>2,788.10</b>	<b>3,913.69</b>
c. Other operating revenues		
i. Sale of scrap	40.66	22.29
ii. Others	314.11	492.56
<b>Sub-total (c)</b>	<b>354.77</b>	<b>514.85</b>
<b>Total (a+b+c)</b>	<b>42,824.69</b>	<b>45,866.02</b>

## Notes forming part of the financial statements

### NOTE 22: OTHER INCOME

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
a. Interest income		
i. Interest on deposits with banks	584.53	670.70
ii. Interest income from customers/others	621.29	522.82
iii. Interest income from long term investments in subsidiaries	2,730.09	1,916.32
b. Profit on sale of fixed assets	26.43	280.02
c. Other non-operating income:		
i. Miscellaneous income	43.51	356.91
	<b>4,005.85</b>	<b>3,746.77</b>

### NOTE 23: COST OF MATERIALS CONSUMED

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
Construction material	3,087.32	6,550.22
	<b>3,087.32</b>	<b>6,550.22</b>

### NOTE 24: PURCHASES OF STOCK-IN-TRADE

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
Finished flats	28.29	41.84
	<b>28.29</b>	<b>41.84</b>

### NOTE 25: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
a. Inventories at the beginning of the year:		
i. Work-in-progress	2,87,641.52	2,64,684.46
Less: Transferred to capital work-in-progress	-	108.68
Less: Liability for land payment reversed during the year	6,765.26	-
	2,80,876.26	2,64,575.78
ii. Finished flats	5,574.70	5,881.26
Less: Transferred to fixed assets	-	13.00
	5,574.70	5,868.26
	<b>2,86,450.96</b>	<b>2,70,444.04</b>
b. Add: Finance costs allocated to inventory of work-in-progress (see note (i) to note 27)	15,455.77	13,676.83
c. Inventories at the end of the year:		
i. Work-in-progress	2,95,054.30	2,87,641.52
ii. Finished flats	4,029.28	5,574.70
	<b>2,99,083.58</b>	<b>2,93,216.22</b>
<b>Net (increase) /decrease (a+b-c)</b>	<b>2,823.15</b>	<b>(9,095.35)</b>

## Notes forming part of the financial statements

### NOTE 26: EMPLOYEE BENEFITS EXPENSE

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
a. Salaries and wages	4,260.06	3,996.13
b. Contributions to provident and other funds	38.94	38.97
c. Staff welfare expenses	104.18	104.22
	<b>4,403.18</b>	<b>4,139.32</b>

### NOTE 27: FINANCE COSTS

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
a. Interest expense on:		
i. Borrowings	23,261.38	17,541.23
ii. Others		
- To customers / others	2,472.55	2,794.16
- Interest on delayed/deferred payment of income tax and other statutory liabilities	1,899.63	1,831.29
b. Other borrowing costs	969.46	1,657.83
	<b>28,603.02</b>	<b>23,824.51</b>
Less: Finance costs allocated to inventory of work-in-progress (see note (i) below)	15,455.77	13,676.83
	<b>13,147.25</b>	<b>10,147.68</b>

#### Note:

- (i) Interest allocable to inventory of projects under progress (work-in-progress) has been segregated from finance cost and reflected under changes in inventories of work-in progress for better presentation (Also see note 25).

### NOTE 28: OTHER EXPENSES

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
a. Power and fuel charges	756.45	948.20
b. Rent including lease rentals	1,300.61	1,275.18
c. Repairs and maintenance		
i. Building	75.62	152.76
ii. Machinery	24.14	51.31
iii. Others	351.47	655.60
d. Insurance	146.96	144.90
e. Rates and taxes	163.66	352.05
f. Postage and telephone expenses	123.09	130.18
g. Travelling and conveyance	195.23	239.53
h. Printing and stationery	100.81	108.01
i. Advertisement and business promotion	719.78	262.92
j. Sales commission	416.83	315.88
k. Vehicle running and maintenance	107.17	144.68
l. Rebate and discount	589.77	991.16
m. Legal and professional charges (see note i. below)	629.01	763.88

## Notes forming part of the financial statements

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
n. Project consultancy fees	65.80	200.00
o. Share of loss from AOP	0.40	8.66
p. Miscellaneous expenses	118.17	153.68
	<b>5,884.97</b>	<b>6,898.58</b>
<b>Note:</b>		
<b>i. Auditors' remuneration:</b>		
Legal and professional charges include auditors' remuneration as follows:		
a. Statutory audit fee	33.00	33.00
b. Tax audit fee	3.00	3.00
c. Limited reviews fee	24.00	24.00
d. Certification and other services	2.00	-
e. Reimbursement of out-of-pocket expenses	1.80	0.81
f. Service tax on above	7.89	7.52
	<b>71.69</b>	<b>68.33</b>

### NOTE 29: CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR)

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
a. Claims against the Company not acknowledged as debt*:		
i. Demand for payment of stamp duty	904.10	904.10
ii. Customer complaints pending in courts	10,444.78	6,663.36
iii. Civil cases against the Company	61.05	32.24
iv. Income tax demand	667.88	633.58
v. Trade tax demand	1,771.40	1,989.50
vi. Entry tax demand	-	133.56
vii. Licence fee to DMRC	1,104.27	-
viii. Others	9.07	9.07
b. Security/performance guarantees issued by the banks to various Government authorities, for which the Company has provided counter guarantee	675.06	1,975.06
c. Corporate guarantees issued on behalf of subsidiary companies in respect of loans taken by them:		
i. Sanctioned amount	41,268.00	24,268.00
ii. Outstanding amount	31,926.67	18,426.67
d. Corporate guarantees issued on behalf of other Company in respect of loans taken by it:		
i. Sanctioned amount	11,000.00	11,000.00
ii. Outstanding amount	11,000.00	11,000.00

\* Based on consultation with the Company's solicitors, the Company does not expect any outflow of economic resources in respect of above claims and therefore no provision is made in respect thereof.

## Notes forming part of the financial statements

### NOTE 30: COMMITMENTS

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
a. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	15,909.09	15,974.48
b. Uncalled liability on shares partly paid	-	2,600.00

### NOTE 31:

Pursuant to Investment Agreement dated 21 December, 2010 entered into between the Company, Parsvnath Buildwell Private Limited (PBPL), Parasnath And Associates Private Limited (Co-Promoter) and two overseas Investment entities (Investors) and 'Assignment of Development Rights Agreement' dated 28 December, 2010 entered into with PBPL and Collaborators, the Company had assigned Development Rights in respect of one of its ongoing projects, namely, 'Parsvnath Exotica, Ghaziabad' (on land admeasuring 31 acres) situated at Village Arthala, Ghaziabad (the Project) to PBPL on terms and conditions contained therein. Further the Company has given the following undertakings to PBPL:

- a. The project shall be completed within the agreed completion schedule. Construction cost for completion of project shall not exceed the amount set out in the agreement and the project revenue from sold area shall be at least the amount set out in the agreement. .
- b. In case of delays in completion of the project, any penalties or compensation payable to customers shall be borne by the Company.
- c. The Company shall not, directly or indirectly, create any encumbrance over or transfer any Equity securities held by it in PBPL during the lock in period (till completion of project) except for securing construction loan.

### NOTE 32:

Pursuant to Investment Agreement dated 9 December, 2009 entered into with Parsvnath Hessa Developers Private Limited (PHDPL) and two Overseas Investors, the Company had transferred and assigned Development Rights in relation to a part of its ongoing project, namely, 'Parsvnath Exotica, Gurgaon' (on land

admeasuring 11.092 acres) situated at Sector 53, Golf Course Road, Gurgaon (the Project) to PHDPL on terms and conditions contained therein.

During the year, the Company has entered into a 'Securities Purchase Agreement' dated 27 June, 2013 with PHDPL and two existing Overseas Investors, pursuant to which the Company has purchased all the securities held by both the Overseas Investors in PHDPL and the existing Overseas Investors have exited from PHDPL. Consequently, PHDPL has become a wholly-owned subsidiary of the Company.

### NOTE 33:

The Company had entered into a Memorandum of Understanding (MOU) dated 22 December, 2010 with Parsvnath Realcon Private Limited (PRPL), a wholly owned subsidiary of its subsidiary Parsvnath Buildwell Private Limited (PBPL). Pursuant to the MOU, the Company has assigned development rights of the project, namely, 'Parsvnath Paramount' on land admeasuring 6,445 square metres situated at Subhash Nagar, New Delhi to PRPL. The Company has also entered into 'Project Management Agreement' with PRPL and PBPL for overall management and coordination of project development. Further, the Company has given following Undertakings to PRPL:

- a. It shall complete the project within the completion schedule and Construction Cost as set out in the Agreement.
- b. The project revenues from sold area shall be at least the amount set out in the Agreement and such revenues shall be realized within 36 months from the effective date.
- c. In the event of construction cost overrun or revenue shortfall, the Company shall contribute such excess/shortfall amount against allotment of equity shares or other instruments at such premium as may be mutually determined by the parties.

### NOTE 34:

The Company had entered into a Development Agreement with Chandigarh Housing Board for the development of residential, commercial and other related infrastructure facilities as an integrated project on land admeasuring 123.79 acres situated at Rajiv Gandhi Technology Park, Chandigarh.

Owing to various factors such as delay in handing over unencumbered land and consequential determination of start of development period, delay in approval of drawings, etc. and various other issues, disputes have arisen between the Company and Chandigarh Housing Board (CHB). The Company has invoked

## Notes forming part of the financial statements

the arbitration clause in the development agreement and arbitration proceedings have been completed in March, 2014. Pending decision arising out of the arbitration proceedings, the amount spent on construction/development of the project has been included under work-in-progress (inventory).

### NOTE 35:

The Company has advanced ₹ 4,822.89 lacs to one of its subsidiaries viz., Parsvnath Film City Limited (PFCL) for execution of Multimedia-cum- Film City Project at Chandigarh. PFCL has deposited ₹ 4,775.00 lacs with Chandigarh Administration (CA) for acquiring development rights in respect of a plot of land admeasuring 30 acres from CA, under Development Agreement dated 2 March 2007 for development of a Multimedia-cum-Film City Complex. The possession of the said land has not yet been handed over to PFCL and accordingly it invoked the arbitration clause seeking refund of allotment money paid along with compensation, cost incurred and interest.

Arbitrators vide their order dated 10 March, 2012 have decided the matter in favour of PFCL and awarded refund of ₹ 4,919.00 lacs towards the Bid amount and other expenses incurred by PFCL along with interest @ 12% per annum. Subsequently, the CA filed a petition before the District Judge at Chandigarh challenging the award under section 34 of The Arbitration and Conciliation Act, 1996. The Petition was heard and PFCL filed its reply on the due date. The CA has filed its Rejoinder and also filed an application seeking permission to lead evidence and witnesses. Considering the facts and the discussions with Legal Counsel, the Management considers the above advance as good and fully recoverable.

### NOTE 36:

The Company had executed an 'Amended and Restated Investment and Security Holder's Agreement' dated 14 September, 2010 with one of its Subsidiaries, Parsvnath Estate Developers Private Limited (PEDPL), two Overseas Investment Entities (Investors) and others for development of an office complex on a plot of land admeasuring 15,583.83 sq. mtrs. situated at Bhai Veer Singh Marg, New Delhi, on the terms and conditions as contained in the Agreement and as amended from time to time. The Rights in the said plot have been allotted on 'Build Operate Transfer' (BOT) basis to the Company by Delhi Metro Rail Corporation Ltd. (DMRC). These Rights have been assigned by the Company in favour of PEDPL for implementation of the Project on DMRC approval.

During the year, PEDPL has issued Non-Convertible Debentures (NCDs) of ₹ 21,000.00 lacs, listed on BSE, to an overseas entity. The Company has provided Corporate Guarantee and pledged its securities in PEDPL as a security for the issue of NCDs.

### NOTE 37:

The Company had executed 'PDL Support Agreement' in favour of Parsvnath Landmark Developers Private Limited (PLDPL) and J.P. Morgan Advisors India Private Limited being the Security Trustees for the Term Loan of ₹ 14,000.00 lacs given to PLDPL. In terms of the said Agreement, the Company has given an Undertaking for completion of construction of 'La Tropicana' Project, New Delhi, within the amount set out in the Agreement and within the Completion Schedule, as stated therein. Any escalation in the construction cost is to be funded by the Company. Further, the Company has also undertaken that it shall maintain at all times not less than 78% of the Ownership interest and Voting rights in PLDPL.

### NOTE 38:

The Company was declared as the "Selected Bidder" for grant of lease for development of project on plot of land at Sarai Rohilla, Kishanganj, Delhi by 'Rail Land Development Authority' (RLDA) vide its 'Letter of Acceptance' (LOA) dated 26 November, 2010. In terms of the LOA, the project was being implemented through a Special Purpose Vehicle (SPV), Parsvnath Promoters and Developers Private Limited (PPDPL). Subsequently, in terms of the requirements of RLDA, another Company in the name of Parsvnath Rail Land Project Private Limited (PRLPPL) was incorporated as SPV to implement the project. RLDA has accepted PRLPPL as the SPV vide its letter dated 3 August, 2012.

The Company has executed an 'Investment and Security Holders' Agreement dated 20 December 2012 with PRLPPL alongwith two overseas Investment entities (Investors) in relation to the project. Subsequently, the Company has executed an 'Amended and Restated Investment and Security Holders Agreement' on 21 August, 2013 with PRLPPL alongwith aforesaid Investors for financing of the project. Accordingly, the Company has invested in 3,09,634 17.50% Optionally Convertible Debentures (Series 'B') of ₹ 1,040/- each and 1,10,000 equity shares of ₹ 10/- each at a premium of ₹ 1,030/- per share in PRLPPL.

### NOTE 39:

The Company has entered into concession agreements with Delhi Metro Rail Corporation Limited (DMRC) for various projects on Build-operate-transfer (BOT) basis. In two of such projects, the Company was unable to commercially utilise the properties due to (a) lack of clarity between DMRC and MCD with respect to authority for sanction of building plans for Tis Hazari Project; and (b) non submission of certain documents by DMRC as required by the sanctioning authority for Netaji Subhash Place Project. In view of these delays, the Company has sought concessions from DMRC and has invoked Arbitration clause of the concession agreement in case of these two projects.

## Notes forming part of the financial statements

In case of another project, viz. Welcome Metro Mall, construction activities had to be suspended as the property development area allotted to the Company was infringing the proposed line of Metro Station to be constructed by DMRC under phase III. Subsequently, the construction activities could not be restarted due to DMRC's inability to provide necessary clarification regarding FAR availability on the property development area and final approved revised layout plan from MCD.

Pending arbitration award/necessary clarifications and documents, the Company has not provided for recurring fees for the above Projects during current financial year amounting to ₹ 1,104.27 lacs and has shown the same under contingent liabilities. However, the Company has continued to carry forward the advances / costs incurred on these projects after charging for amortization / depreciation on periodical basis.

### NOTE 40:

The Company had entered into a Joint Development Agreement on 21 November, 2012 with Honey Builders Limited (HBL) for the purpose of joint development of a residential plotted township (Project) situated at Sohna Road, Gurgaon. The Company and HBL shall be entitled to share in the revenue as stipulated in the Agreement.

Pursuant to the Agreement, HBL has deposited with the Company a sum of ₹ 7,000 lacs as an interest free security deposit and has paid a sum of ₹ 3,876.15 lacs towards development of the Project which shall be refundable by the Company as per the terms of the Agreement. Further the Company has given the following undertakings to HBL:

- The Project will be completed within the completion schedule and construction cost shall not exceed the maximum guaranteed cost as set out in the agreement.
- The saleable area of the project and project revenues from sold area shall be at least the amount set out in the Agreement.
- In the event of construction cost overrun, the Company shall contribute such amount towards the construction cost

### NOTE 41:

Trade receivables include ₹ 31,816.72 lacs (previous year ₹ 36,247.57 lacs) outstanding for a period exceeding six months. Due to continued recession in the industry, there have been delays in collections from customers. In view of industry practice and terms of agreement with customers, all these debts are considered good for recovery and hence no provision is considered necessary.

### NOTE 42:

The real estate industry is passing through recession due to slowdown in demand and is also facing lack of adequate sources of finance to fund development of its real estate projects resulting in delayed realisations from its customers and lower availability of funds to discharge its liabilities. The Company has, accordingly, witnessed delays in payment of principal and interest on its borrowings and discharge of its statutory liabilities and has outstanding balance on account of Income-tax as at year end. The Company is exploring alternative sources of finance, including sale of non-core assets to overcome this temporary liquidity shortage and accordingly does not foresee any adverse impact on its future operations.

### NOTE 43:

In the opinion of the Board of directors, any of the assets other than fixed assets and non-current investments do have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

### NOTE 44:

Disclosure of loans and advances in the nature of loans to subsidiaries, associates and other companies in which directors are interested as required by clause 32 of listing agreement with stock exchanges is as under:

(₹ in Lacs)

Name of the Company	Amount outstanding as on 31 March, 2014	Maximum amount outstanding during the year
Parsvnath Film City Limited	4,822.89 (4,821.75)	4,822.89 (4,821.75)
Parsvnath Hotels Limited	80.33 (452.97)	482.97 (452.97)
Parsvnath Promoters and Developers Private Limited	- (4,364.20)	4,364.20 (4,364.20)
Parsvnath HB Projects Private Limited	2,994.07 (2,598.47)	2,994.07 (2,598.47)
Parsvnath Rail Land Project Private Limited	619.89 (-)	638.13 (-)
Parsvnath Buildwell Private Limited	41.22 (-)	44.72 (-)
Parsvnath Landmark Developers Private Limited	316.92 (-)	359.00 (-)
Parsvnath Realcon Private Limited	5.74 (-)	5.96 (-)
Parsvnath Estate Developers Private Limited	804.44 (-)	1,073.66 (-)

Figures in bracket indicate balances of previous year.

## Notes forming part of the financial statements

Note: All the above loans and advances (except loan to Parsvnath HB Projects Private Limited) are non-interest bearing and are repayable on demand.

### NOTE 45:

Long-term loans and advances includes amount due from private companies in which any director is a director or member:

(₹ in Lacs)

Name of the Company	As at 31 March, 2014	As at 31 March, 2013
Parsvnath HB Projects Private Limited	2,994.07	2,598.47
New Hind Enterprises Private Limited	-	292.08
Parsvnath Rail Land Project Private Limited	-	33.50
	<b>2,994.07</b>	<b>2,924.05</b>

### NOTE 46:

Trade receivables include amount due from private Companies in which any director is a director or member:

(₹ in Lacs)

Name of the Company	Relation	As at 31 March, 2014	As at 31 March, 2013
Parsvnath Landmark Developers Private Limited	Subsidiary	0.54	0.54
Parsvnath Estate Developers Private Limited	Subsidiary	-	479.41
		<b>0.54</b>	<b>479.95</b>

### NOTE 47:

Short-term loans and advances include amount due from private Companies in which any director is a director or member:

(₹ in Lacs)

Name of the Company	As at 31 March, 2014	As at 31 March, 2013
Parsvnath Promoters and Developers Private Limited	-	4,364.20
Parasnath and Associates Private Limited	3,068.50	-
Parsvnath Buildwell Private Limited	41.22	-
Parsvnath Landmark Developers Private Limited	316.92	-
Parsvnath Rail Land Project Private Limited	619.89	-
	<b>4,046.53</b>	<b>4,364.20</b>

### NOTE 48:

The Company is setting up various projects on Build Operate Transfer (BOT) basis. Costs incurred on these Projects till completion of the project are reflected as Capital Work in Progress. Details of incidental expenditure incurred during construction in respect of these projects debited to capital work-in-progress are as under:

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
i. Salaries, wages and bonus	36.94	27.70
ii. Contribution to provident and other funds	0.53	0.40
iii. Miscellaneous expenses	42.78	49.60
iv. Legal and professional charges	10.97	3.66
v. Finance cost	2,853.91	6,504.70
vi. Licence fee	495.63	1,422.30
	<b>3,440.76</b>	<b>8,008.36</b>

### NOTE 49: DISCLOSURE UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The Micro and Small Enterprises have been identified by the Company from the available information, according to such identification, the disclosure in respect of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is as under:

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
a. Principal amount remaining unpaid to any such supplier as at the end of the year	149.49	123.56
b. Interest due thereon remaining unpaid to such suppliers as at the end of the year	-	-
c. The amount of interest paid in terms of Section 16 of the MSMED Act along with the amount of the payment made to the suppliers beyond the appointed date	-	-
d. The amount of interest due and payable for the year for delay in making payment	-	-
e. The amount of interest accrued and remaining unpaid at the end of the year	-	-
f. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid.	-	-

## Notes forming part of the financial statements

### NOTE 50:

The Company has no outstanding derivative or foreign exposure as at the end of the current year and previous year.

### NOTE 51:

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
<b>(a) Expenditure in foreign currency</b>		
Travelling	5.08	8.72
Legal and professional charges	228.41	91.16
Exhibition/Advertisement expenses	3.29	-
Fees and subscription	6.21	5.62
Maintenance Charges	11.23	-
	<b>254.22</b>	<b>105.50</b>

### (b) Imported and indigenous material consumed

(₹ in Lacs)

Particulars	Year ended 31 March, 2014		Year ended 31 March, 2013	
	(₹ in Lacs)	%	(₹ in Lacs)	%
Indigenous	3,087.32	100%	6,550.22	100%
Total	<b>3,087.32</b>	<b>100.00</b>	<b>6,550.22</b>	<b>100.00</b>

### NOTE 52: DETAILS OF CONTRACT REVENUE AND COSTS

In accordance with the Accounting Standard 7 on 'Construction Contracts', details of contracts revenue and cost is as under:

(₹ in Lacs)

Particulars	31 March, 2014	31 March, 2013
a. Contract revenue recognised during the year	129.38	1202.17
b. Aggregate of contract costs incurred and recognised profits in respect of contracts in progress up to the year end	13,742.82	13,613.44
c. Advances received for contracts in progress	120.76	120.76
d. Retention money for contracts in progress	72.80	72.80
e. Amount due from customers for contract work	738.85	609.47

### NOTE 53: EMPLOYEE BENEFITS

In accordance with the revised Accounting Standard 15, the requisite disclosures are as follows:

### Defined contribution plans

The Company makes Provident Fund contributions to Regional Provident Fund Commissioner (RPFC) and ESI contributions to Employees State Insurance Corporation (ESIC) for qualifying employees. The Company contributed a specified percentage of salary to fund the benefits. The Company recognised ₹ 38.94 lacs (previous year ₹ 38.97 lacs) for Provident Fund and ESI contributions in the Statement of Profit and Loss.

### Defined benefit plan

Gratuity is a defined benefit plan covering eligible employees. The plan provides for a lump sum payment to vested employees on retirement, death while in employment or termination of employment of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of five years of service.

Disclosure as required under Accounting Standard – 15 (Revised) on "Employee Benefits" in respect of defined benefit plan is as under:

### i. Change in defined benefit obligations

(₹ in Lacs)

Particulars	31 March, 2014	31 March, 2013
Present value of obligations as at the beginning of the year	370.17	345.85
Interest cost	29.62	27.67
Current service cost	56.01	54.18
Benefits paid	(42.05)	(37.12)
Actuarial (gain) / loss on obligations	5.27	(20.41)
Present value of obligations as at the end of the year	<b>419.02</b>	<b>370.17</b>

### ii. The fair value of plan assets is Nil since defined benefit plans are wholly unfunded as on 31 March, 2014.

### iii. Amounts recognised in the Balance Sheet

(₹ in Lacs)

Particulars	31 March, 2014	31 March, 2013
Present value of obligations as at the end of the year	419.02	370.17
Amount recognised in the Balance Sheet	<b>419.02</b>	<b>370.17</b>

### iv. Expenses recognised in the statement of Profit and Loss

(₹ in Lacs)

Particulars	31 March, 2014	31 March, 2013
Current service cost	56.01	54.18
Interest cost	29.62	27.67
Actuarial (gain) / loss	5.27	(20.41)
Expenses recognised in the Statement of Profit and Loss	<b>90.90</b>	<b>61.44</b>

## Notes forming part of the financial statements

### v. Balance Sheet reconciliation

(₹ in Lacs)

Particulars	31 March, 2014	31 March, 2013
Net liability at the beginning of the year	370.17	345.85
Expense as above	90.90	61.44
Benefits paid	(42.05)	(37.12)
Amount recognised in the Balance Sheet	<b>419.02</b>	<b>370.17</b>

### vi. Principal actuarial assumptions

Particulars	31 March, 2014	31 March, 2013
	(%)	(%)
<b>(a) Economic assumptions</b>		
Discount rate	8.00	8.00
Salary escalation	3.50	3.50
<b>(b) Demographic assumptions</b>		
Retirement age	60	60
Mortality table	IALM (2006-08)	IALM (1994-1996)
<b>Ages</b>	<b>Withdrawal Rate (%)</b>	<b>Withdrawal Rate (%)</b>
Upto 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimates of future salary increases considered in the actuarial valuation takes into account inflation, seniority, promotion and other relevant factors on long term basis.

### vii. Experience adjustment

(₹ in Lacs)

Particulars	31.03.14	31.03.13	31.03.12	31.03.11	31.03.10
Defined benefit obligation	419.02	370.17	345.85	318.55	224.44
Plan assets	-	-	-	-	-
Surplus/(deficit)	(419.02)	(370.17)	(345.85)	(318.55)	(224.44)
Experience adjustment on plan liabilities gain/(loss)	(5.27)	20.41	27.13	25.52	13.61

### viii. Actuarial assumptions for long-term compensated absences

(₹ in Lacs)

Particulars	31 March, 2014	31 March, 2013
	(%)	(%)
<b>(a) Economic assumptions</b>		
Discount rate	8.00	8.00
Salary escalation	3.50	3.50
<b>(b) Demographic assumptions</b>		
Retirement age	60	60
Mortality table	IALM (2006-08)	IALM (1994-1996)
<b>Ages</b>	<b>Withdrawal Rate (%)</b>	<b>Withdrawal Rate (%)</b>
Upto 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimates of future salary increases considered in the actuarial valuation takes into account inflation, seniority, promotion and other relevant factors on long term basis.

### NOTE 54: DETAILS OF BORROWING COSTS CAPITALISED DURING THE YEAR

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
Fixed assets / capital work-in-progress	2,853.91	6,504.70

### NOTE 55: SEGMENT INFORMATION

The Company is predominantly engaged in Real Estate. Operations of the Company do not qualify for reporting as business segments as per the criteria set out under Accounting Standard 17 (AS-17) on "Segment Reporting". The Company is operating in India hence there is no reportable geographic segment. Accordingly no disclosure is required under AS-17.

### NOTE 56: LEASING ARRANGEMENTS

The Company has entered into Concession Agreements with Delhi Metro Rail Corporation (DMRC) and has acquired the License Rights to develop properties and sub license it to the customers for a defined period of time. Of the license fees of ₹ 1,214.03

## Notes forming part of the financial statements

Lacs (Previous Year ₹ 2139.68 lacs) paid/payable by the Company during the year, ₹ 718.40 lacs (Previous year ₹ 717.38 lacs) has been charged to the statement of Profit and Loss and ₹ 495.63 lacs (Previous Year ₹ 1,422.30 Lacs) has been capitalised. The total of future minimum license payments / charge is as follows:

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
a. Not later than one year	3,837.00	3,575.33
b. Later than one year but not later than five years	16,328.66	14,134.34
c. Later than five years	1,51,192.67	1,54,856.62
<b>Total</b>	<b>1,71,358.33</b>	<b>1,72,566.29</b>

Upfront fee paid by the Company has not been considered as lease charges.

The Company has recognised lease charges of ₹ 343.00 lacs (previous year ₹ 318.91 lacs) in respect of other cancellable leases in the statement of Profit and Loss.

### NOTE 57: OPERATING LEASES

#### a. Assets Given on Lease \*

(₹ in Lacs)

Class of Assets	Gross Block as on 31 March, 2014	Depreciation for the Year 2013-14	Accumulated Depreciation till 31 March, 2014
<b>Fixed assets – tangible</b>			
Buildings	11,810.81	673.90	2,926.02

\*Includes partly self-occupied properties.

a. The Company has given certain buildings and facilities under non-cancellable operating leases. The future minimum lease payments in respect of these leases as at 31 March, 2014 are:

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>Minimum lease payments receivable</b>		
i. Not later than one year	780.87	839.95
ii. Later than one year but not later than five years	2,337.90	2,527.67
iii. Later than five years	14,198.56	14,792.69
<b>Total</b>	<b>17,317.33</b>	<b>18,160.31</b>
<b>Licence income recognised in the Statement of Profit and Loss</b>	<b>1,875.70</b>	<b>1,741.90</b>

### NOTE 58: EARNINGS PER SHARE

The earnings considered in ascertaining the Company's EPS comprises the profit available for shareholders (i.e. profit after tax and statutory / regulatory appropriations). The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

Particulars	Unit	Year ended 31 March, 2014	Year ended 31 March, 2013
a. Net Profit attributable to shareholders	₹ in Lacs	2,339.15	7,367.37
b. Weighted average number of equity shares outstanding during the year	No. in Lacs	4,351.81	4,351.81
c. Basic and diluted earnings per share	₹	0.54	1.69
d. Nominal Value of equity shares	₹	5.00	5.00

### NOTE 59: JOINT VENTURE

Company's interest and share in joint ventures in the nature of jointly controlled entities are as follows:

#### a. Particulars of joint ventures

(₹ in Lacs)

Name of Joint Venture	Nature of project	Ownership Interest	Country of incorporation / residence
i. Parsvnath Developers AOP (PDAOP)*	Real Estate	- (-)	India
ii. Ratan Parsvnath Developers AOP (RPDAOP)	Real Estate	50.00% (50.00%)	India

#### b. Financial interest of the Company in jointly controlled entities is as under:

(₹ in Lacs)

Company's share of:	PDAOP	RPDAOP
Assets	- (-)	382.66 (332.64)
Liabilities	- (-)	13.90 (1.12)
Income	- (7.21)	- (-)

## Notes forming part of the financial statements

Company's share of:	PDAOP	RPDAOP
Expenditure	- (16.51)	0.40 (0.35)
Tax	- (-0.99)	- (-)
Capital commitment	- (-)	- (-)
Contingent liabilities	- (-)	- (-)

\* Wound up with effect from 31 December, 2012

Figures in bracket indicate figures of the previous year

Note: The Company's share of assets, liabilities, income and expenditure has been included on the basis of audited financial information of its joint ventures.

### NOTE 60: RELATED PARTY TRANSACTIONS

#### a. List of related parties

##### i. Subsidiary Companies

- Parsvnath Infra Limited
- Parsvnath Film City Limited
- Parsvnath Landmark Developers Private Limited
- Parsvnath Telecom Private Limited
- Parsvnath Hotels Limited
- Parsvnath Retail Limited (up to 04 Sept,2013)\*
- PDL Assets Limited
- Parsvnath Developers Pte. Limited (Overseas subsidiary -Singapore)
- Primetime Realtors Private Limited
- Parsvnath Estate Developers Private Limited
- Parsvnath Promoters And Developers Private Limited
- Parsvnath Hessa Developers Private Limited
- Parsvnath Hospitality Holding Ltd., Singapore (Subsidiary of Parsvnath Developers Pte. Limited, Singapore)
- Parsvnath MIDC Pharma SEZ Private Limited (Subsidiary of Parsvnath Infra Limited)
- Parsvnath Buildwell Private Limited
- Parsvnath Realcon Private Limited (Subsidiary of Parsvnath Buildwell Private Limited)
- Parsvnath Rail Land Project Private Limited #
- Parsvnath HB Projects Private Limited

# Subsidiary by virtue of Accounting Standard (AS-21) on 'Consolidated Financial Statements'

\* Became Associate during the year

##### ii. Entities over which the Company, Subsidiary Companies or key management personnel or their relatives, exercise significant influence

- Aahna Realtors Private Limited
- Adela Buildcon Private Limited
- Afra Infrastructure Private Limited
- Ajit Board Private Limited

- Amazon India Limited
- Arunachal Infrastructure Private Limited
- Ashirwad Realtors Private Limited
- Bae Buildwell Private Limited
- Baidehi Infrastructure Private Limited
- Balbina Real Estates Private Limited
- Banita Buildcon Private Limited
- Bliss Infrastructure Private Limited
- Brinly Properties Private Limited
- Charushila Buildwell Private Limited
- Congenial Real Estates Private Limited
- Coral Buildwell Private Limited
- Cyanea Real Estate Private Limited
- Dae Realtors Private Limited
- Dai Real Estates Private Limited
- Deborah Real Estate Private Limited
- Deleena Developers Private Limited
- Dhiren Real Estates Private Limited
- Elixir Infrastructure Private Limited
- Enormity Buildcon Private Limited
- Farhad Realtors Private Limited
- Gauranga Realtors Private Limited
- Gauresh Buildwell Private Limited
- Gem Buildwell Private Limited
- Generous Buildwell Private Limited
- Himsagar Infrastructure Private Limited
- Homelife Real Estate Private Limited
- Izna Realcon Private Limited
- Jaguar Buildwell Private Limited
- Janak Finance & Leasing Private Limited
- Jodhpur Infrastructure Private Limited
- K.B.Realtors Private Limited
- Kalyani Pulp Private Limited
- Laban Real Estates Private Limited
- Label Real Estates Private Limited
- Lakshya Realtors Private Limited.
- Landmark Malls and Towers Private Limited
- Landmark Township Planners Private Limited
- LSD Realcon Private Limited
- Madhukanta Real Estate Private Limited
- Magic Promoters Private Limited
- Mirage Buildwell Private Limited
- Mahanidhi Buildcon Private Limited
- Nanocity Haryana Infrastructure Limited \*
- Navneet Realtors Private Limited
- Neha Infracon (India) Private Limited
- New Hind Enterprises Private Limited
- Nilanchal Realtors Private Limited
- Noida Marketing Private Limited
- Oni Projects Private Limited
- P.S. Realtors Private Limited
- Paavan Buildcon Private Limited
- Panchvati Buildwell Private Limited
- Parasnath And Associates Private Limited
- Parsvnath Dehradun Info Park Private Limited

## Notes forming part of the financial statements

- Parsvnath Indore Info Park Private Limited
  - Parsvnath Gurgaon Info Park Private Limited
  - Parsvnath Realty Ventures Limited
  - Parsvnath Travels & Tours Private Limited
  - Parsvnath Biotech Private Limited
  - Parsvnath Knowledge Park Private Limited
  - Parsvnath Cyber City Private Limited
  - Parsvnath Retail Limited #
  - Parikrama Infrastructure Private Limited
  - Pearl Propmart Private Limited
  - Perpetual Infrastructure Private Limited
  - Pradeep kumar Jain & Sons (HUF)
  - Prasadhi Developers Private Limited
  - Prastut Real Estate Private Limited
  - Prosperity Infrastructures Private Limited
  - Rangoli Buildcon Private Limited
  - Rangoli Infrastructure Private Limited
  - Sadgati Buildcon Private Limited
  - Samiksha Realtors Private Limited
  - Sapphire Buildtech Private Limited
  - Scorpio Realtors Private Limited
  - Silversteet Infrastructure Private Limited
  - Snigdha Buildwell Private Limited
  - Springdale Realtors Private Limited
  - Stupendous Buildtech Private Limited
  - Suksma Buildtech Private Limited
  - Sumeru Developers Private Limited
  - Sureshwar Properties Private Limited \*
  - Timebound Contracts Private Limited
  - Vardaan Buildtech Private Limited
  - Vinu Promoters Private Limited \*
  - Parsvnath Developers (GMBT) Private Limited
  - Parsvnath Developers (SBBT) Private Limited
  - Jarul Promoters & Developers Private Limited
  - Baasima Buildcon Private Limited
  - Vital Buildwell Private Limited
- \* Ceased to be a related party during the year  
# Became Associate during the year
- iii. Joint Ventures**
- Ratan Parsvnath Developers( AOP)
- iv. Key Management Personnel**
- Mr. Pradeep Kumar Jain, Chairman
  - Mr. Sanjeev Kumar Jain, Managing Director and CEO
  - Dr. Rajeev Jain, Whole-time Director
- v. Relatives of Key Management Personnel (with whom the Company had transactions)**
- Mrs. Nutan Jain (Wife of Mr. Pradeep Kumar Jain, Chairman)

### b. Transactions/balances outstanding with related parties:

(₹ in Lacs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
<b>(i) Transactions during the year</b>					
<b>Management fee income#</b>					
Parsvnath Landmark Developers Private Limited	- (180.27)	- (-)	- (-)	- (-)	- (180.27)
Parsvnath Hessa Developers Private Limited	7.78 (37.29)	- (-)	- (-)	- (-)	7.78 (37.29)
Parsvnath Realcon Private Limited*	- (-37.64)	- (-)	- (-)	- (-)	- (-37.64)
Parsvnath Estate Developers Private Limited	580.21 (479.69)	- (-)	- (-)	- (-)	580.21 (479.69)
	<b>587.99</b> <b>(659.61)</b>	- (-)	- (-)	- (-)	<b>587.99</b> <b>(659.61)</b>
# Net of Service Tax, where applicable					
* (-)ve number represents reversal of income					
<b>Rent received</b>					
Nanocity Haryana Infrastructure Limited	- (-)	- (17.07)	- (-)	- (-)	- (17.07)
<b>Interest income on debentures</b>					
Parsvnath Estate Developers Private Limited	253.48 (253.48)	- (-)	- (-)	- (-)	253.48 (253.48)
Parsvnath Promoters And Developers Private Limited	1,494.87 (1,494.88)	- (-)	- (-)	- (-)	1,494.87 (1,494.88)

## Notes forming part of the financial statements

(₹ in Lacs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
Parsvnath Buildwell Private Limited	167.96 (167.96)	- (-)	- (-)	- (-)	167.96 (167.96)
Parsvnath Rail Land Project Private Limited	344.30 (-)	- (-)	- (-)	- (-)	344.30 (-)
Parsvnath Hessa Developers Private Limited	469.48 (-)	- (-)	- (-)	- (-)	469.48 (-)
	<b>2,730.09</b> <b>(1,916.32)</b>	- (-)	- (-)	- (-)	<b>2,730.09</b> <b>(1,916.32)</b>
<b>Interest income on advances</b>					
Parsvnath Estate Developers Private Limited	122.79 (-)	- (-)	- (-)	- (-)	122.79 (-)
Parsvnath HB Projects Private Limited	274.39 (64.06)	- (-)	- (-)	- (-)	274.39 (64.06)
	<b>397.18</b> <b>(64.06)</b>	- (-)	- (-)	- (-)	<b>397.18</b> <b>(64.06)</b>
<b>Share of profit/(-) loss from AOP</b>					
Parsvnath Developers AOP	- (-)	- (-)	- (-8.31)	- (-)	- (-8.31)
Ratan Parsvnath Developers AOP	- (-)	- (-)	-0.40 (-0.35)	- (-)	-0.40 (-0.35)
	- (-)	- (-)	<b>-0.40</b> <b>(-8.66)</b>	- (-)	<b>-0.40</b> <b>(-8.66)</b>
<b>Unsecured loan received</b>					
Pradeep Kumar Jain	- (-)	- (-)	- (-)	1,101.36 (3,278.81)	1,101.36 (3,278.81)
Pradeep Kumar Jain & Sons (HUF)	- (-)	226.17 (273.12)	- (-)	- (-)	226.17 (273.12)
Parasnath And Associates Private Limited	- (-)	1,341.39 (2,494.21)	- (-)	- (-)	1,341.39 (2,494.21)
	- (-)	<b>1,567.56</b> <b>(2,767.33)</b>	- (-)	<b>1,101.36</b> <b>(3,278.81)</b>	<b>2,668.92</b> <b>(6,046.14)</b>
<b>Unsecured loan repaid</b>					
Pradeep Kumar Jain	- (-)	- (-)	- (-)	1,187.06 (3,247.08)	1,187.06 (3,247.08)
Pradeep Kumar Jain & Sons (HUF)	- (-)	191.80 (311.99)	- (-)	- (-)	191.80 (311.99)
Parasnath And Associates Private Limited	- (-)	1,442.08 (2,542.62)	- (-)	- (-)	1,442.08 (2,542.62)
	- (-)	<b>1,633.88</b> <b>(2,854.61)</b>	- (-)	<b>1,187.06</b> <b>(3,247.08)</b>	<b>2,820.94</b> <b>(6,101.69)</b>
<b>Advances given</b>					
Parsvnath Film City Limited	1.14 (10.95)	- (-)	- (-)	- (-)	1.14 (10.95)

## Notes forming part of the financial statements

(₹ in Lacs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
Parsvnath Estate Developers Private Limited	1,133.48 (-)	- (-)	- (-)	- (-)	1,133.48 (-)
Parsvnath Landmark Developers Private Limited	316.92 (-)	- (-)	- (-)	- (-)	316.92 (-)
Parsvnath Rail Land Project Private Limited	619.89 (-)	- (-)	- (-)	- (-)	619.89 (-)
Parsvnath Promoters And Developers Private Limited	- (190.69)	- (-)	- (-)	- (-)	- (190.69)
Parsvnath Realcon Private Limited	5.74 (-)	- (-)	- (-)	- (-)	5.74 (-)
Parsvnath Hotels Limited	- (391.91)	- (-)	- (-)	- (-)	- (391.91)
Parsvnath HB Projects Private Limited	337.94 (0.30)	- (-)	- (-)	- (-)	337.94 (0.30)
Parsvnath Buildwell Private Limited	41.22 (-)	- (-)	- (-)	- (-)	41.22 (-)
	<b>2,456.33</b> <b>(593.85)</b>	<b>-</b> <b>(-)</b>	<b>-</b> <b>(-)</b>	<b>-</b> <b>(-)</b>	<b>2,456.33</b> <b>(593.85)</b>
<b>Advance received back during the year</b>					
Primetime Relators Private Limited	- (4.74)	- (-)	- (-)	- (-)	- (4.74)
Noida Marketing Private Limited	- (-)	- (6.34)	- (-)	- (-)	- (6.34)
Parsvnath Estate Developers Private Limited	439.53 (-)	- (-)	- (-)	- (-)	439.53 (-)
Parsvnath Promoters And Developers Private Limited	4,364.20 (-)	- (-)	- (-)	- (-)	4,364.20 (-)
Parsvnath Hotels Limited	372.64 (-)	- (-)	- (-)	- (-)	372.64 (-)
Associates (each having less than 10% of transactions)	- (-)	821.93 (-)	- (-)	- (-)	821.93 (-)
	<b>5,176.37</b> <b>(4.74)</b>	<b>821.93</b> <b>(6.34)</b>	<b>-</b> <b>(-)</b>	<b>-</b> <b>(-)</b>	<b>5,998.30</b> <b>(11.08)</b>
<b>Advance received</b>					
Parsvnath Buildwell Private Limited	<b>1.07</b> (-)	- (-)	- (-)	- (-)	<b>1.07</b> (-)
<b>Advances repaid</b>					
Parsvnath Buildwell Private Limited	- (1.06)	- (-)	- (-)	- (-)	- (1.06)
Nilanchal Realtors Private Limited	- (-)	- (16.32)	- (-)	- (-)	- (16.32)
K B Realtors Private Limited	- (-)	- (21.00)	- (-)	- (-)	- (21.00)

## Notes forming part of the financial statements

(₹ in Lacs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
Landmark Malls and Towers Private Limited	- (-)	- (132.40)	- (-)	- (-)	- (132.40)
Landmark Township Planners Private Limited	- (-)	- (64.86)	- (-)	- (-)	- (64.86)
Laban Real Estates Private Limited	- (-)	- (46.74)	- (-)	- (-)	- (46.74)
P S Relators Private Limited	- (-)	- (18.68)	- (-)	- (-)	- (18.68)
Amazon India Limited	- (-)	- (29.77)	- (-)	- (-)	- (29.77)
Primetime Realtors Private Limited	0.55 (-)	- (-)	- (-)	- (-)	0.55 (-)
Timebound Contracts Private Limited	- (-)	13.10 (-)	- (-)	- (-)	13.10 (-)
	<b>0.55</b> <b>(1.06)</b>	<b>13.10</b> <b>(329.77)</b>	<b>-</b> <b>(-)</b>	<b>-</b> <b>(-)</b>	<b>13.65</b> <b>(330.83)</b>
<b>Interest paid</b>					
Parasnath And Associates Private Limited	- (-)	20.43 (29.43)	- (-)	- (-)	20.43 (29.43)
Pradeep Kumar Jain	- (-)	- (-)	- (-)	5.27 (64.15)	5.27 (64.15)
Pradeep Kumar Jain & Sons (HUF)	- (-)	1.82 (7.27)	- (-)	- (-)	1.82 (7.27)
Parsvnath Estate Developers Private Limited	59.40 (62.24)	- (-)	- (-)	- (-)	59.40 (62.24)
Parsvnath Promoters And Developers Private Limited	- (63.41)	- (-)	- (-)	- (-)	- (63.41)
Parsvnath Buildwell Private Limited	1.27 (1.27)	- (-)	- (-)	- (-)	1.27 (1.27)
Parsvnath Rail Land Project Private Limited	15.60 (22.19)	- (-)	- (-)	- (-)	15.60 (22.19)
Parsvnath Hessa Developers Private Limited	0.64 (0.64)	- (-)	- (-)	- (-)	0.64 (0.64)
	<b>76.91</b> <b>(149.75)</b>	<b>22.25</b> <b>(36.70)</b>	<b>-</b> <b>(-)</b>	<b>5.27</b> <b>(64.15)</b>	<b>104.43</b> <b>(250.60)</b>
<b>Rent paid</b>					
Pradeep Kumar Jain	- (-)	- (-)	- (-)	5.76 (4.03)	5.76 (4.03)
Nutan Jain	- (-)	- (-)	- (-)	35.87 (34.20)	35.87 (34.20)
Pradeep Kumar Jain & Sons (HUF)	- (-)	6.53 (5.83)	- (-)	- (-)	6.53 (5.83)
	<b>-</b> <b>(-)</b>	<b>6.53</b> <b>(5.83)</b>	<b>-</b> <b>(-)</b>	<b>41.63</b> <b>(38.23)</b>	<b>48.16</b> <b>(44.06)</b>

## Notes forming part of the financial statements

(₹ in Lacs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
<b>Reimbursement of expenses (Paid)</b>					
Home Life Real Estate Private Limited	- (-)	0.31 (0.31)	- (-)	- (-)	0.31 (0.31)
Parsvnath Hessa Developers Private Limited	23.20 (906.14)	- (-)	- (-)	- (-)	23.20 (906.14)
	<b>23.20 (906.14)</b>	<b>0.31 (0.31)</b>	<b>- (-)</b>	<b>- (-)</b>	<b>23.51 (906.45)</b>
<b>Reimbursement of expenses (received)</b>					
Parsvnath Hotels Limited	- (17.94)	- (-)	- (-)	- (-)	- (17.94)
Parsvnath Buildwell Private Limited	- (13.48)	- (-)	- (-)	- (-)	- (13.48)
	<b>- (31.42)</b>	<b>- (-)</b>	<b>- (-)</b>	<b>- (-)</b>	<b>- (31.42)</b>
<b>Purchase of development rights</b>					
Silver street Infra Private Limited	- (-)	982.41 (-)	- (-)	- (-)	982.41 (-)
Ashirwad Realtors Private Limited	- (-)	467.84 (-)	- (-)	- (-)	467.84 (-)
Dhiren Real Estates Private Limited	- (-)	214.53 (-)	- (-)	- (-)	214.53 (-)
Associates (each having less than 10% of transactions)	- (-)	485.66 (-)	- (-)	- (-)	485.66 (-)
	<b>- (-)</b>	<b>2,150.44 (-)</b>	<b>- (-)</b>	<b>- (-)</b>	<b>2,150.44 (-)</b>
<b>Investments made in equity Shares / capital contribution</b>					
Parsvnath Retail Limited	- (1.00)	- (-)	- (-)	- (-)	- (1.00)
Parsvnath Developers (AOP)	- (-)	- (-)	- (5.43)	- (-)	- (5.43)
Ratan Parsvnath Developers (AOP)	- (-)	- (-)	- (5.10)	- (-)	- (5.10)
Parsvnath HB Projects Private Limited	- (2.50)	- (-)	- (-)	- (-)	- (2.50)
Parsvnath Rail Land Project Private Limited	1,144.00 (-)	- (-)	- (-)	- (-)	1,144.00 (-)
	<b>1,144.00 (3.50)</b>	<b>- (-)</b>	<b>- (10.53)</b>	<b>- (-)</b>	<b>1,144.00 (14.03)</b>
<b>Investments made in debentures</b>					
Parsvnath Rail Land Project Private Limited	<b>3,220.19</b> (-)	<b>-</b> (-)	<b>-</b> (-)	<b>-</b> (-)	<b>3,220.19</b> (-)
<b>Purchase of investments / shares</b>					
Parsvnath And Associates Private Limited	- (-)	- (2.50)	- (-)	- (-)	- (2.50)

## Notes forming part of the financial statements

(₹ in Lacs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
<b>Sale of investments/shares</b>					
New Hind Enterprises Private Limited	- (-)	4.00 (-)	- (-)	- (-)	4.00 (-)
Parasnath And Associates Private Limited	- (-)	4.00 (-)	- (-)	- (-)	4.00 (-)
	- (-)	<b>8.00</b> (-)	- (-)	- (-)	<b>8.00</b> (-)
<b>Advance paid for purchase of land / Property</b>					
Sureshwar Properties Private Limited	- (-)	- (2,700.00)	- (-)	- (-)	- (2,700.00)
Parasnath And Associates Private Limited	- (-)	3,068.50 (-)	- (-)	- (-)	3,068.50 (-)
Associates (each having less than 10% of transaction)	- (-)	10.35 (776.73)	- (-)	- (-)	10.35 (776.73)
	- (-)	<b>3,078.85</b> (3,476.73)	- (-)	- (-)	<b>3,078.85</b> (3,476.73)
<b>Refund of security deposits</b>					
Parsvnath Hessa Developers Private Limited	544.19 (200.00)	- (-)	- (-)	- (-)	544.19 (200.00)
Nanocity Haryana Infrastructure Limited	- (-)	- (17.07)	- (-)	- (-)	- (17.07)
	<b>544.19</b> (200.00)	- (17.07)	- (-)	- (-)	<b>544.19</b> (217.07)
<b>Security deposit received</b>					
Parsvnath Estate Developers Private Limited	- (600.00)	- (-)	- (-)	- (-)	- (600.00)
Parsvnath Rail Land Project Private Limited	200.00 (1,693.25)	- (-)	- (-)	- (-)	200.00 (1,693.25)
Parsvnath Hessa Developers Private Limited	2,947.07 (-)	- (-)	- (-)	- (-)	2,947.07 (-)
	<b>3,147.07</b> (2,293.25)	- (-)	- (-)	- (-)	<b>3,147.07</b> (2,293.25)
<b>Refund of share application money</b>					
Parsvnath Infra Limited	- (1,922.62)	- (-)	- (-)	- (-)	- (1,922.62)
<b>Debenture application money paid</b>					
Parsvnath Rail Land Project Private Limited	- (33.50)	- (-)	- (-)	- (-)	- (33.50)
<b>Transfer of fund</b>					
Parsvnath HB Projects Private Limited	- (2,598.17)	- (-)	- (-)	- (-)	- (2,598.17)
Parsvnath Promoters And Developers Private Limited	- (1,000.00)	- (-)	- (-)	- (-)	- (1,000.00)
	- (3,598.17)	- (-)	- (-)	- (-)	- (3,598.17)

## Notes forming part of the financial statements

(₹ in Lacs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
<b>Managerial remuneration</b>					
Pradeep Kumar Jain	- (-)	- (-)	- (-)	360.79 (360.79)	360.79 (360.79)
Sanjeev Kumar Jain	- (-)	- (-)	- (-)	132.40 (132.40)	132.40 (132.40)
Rajeev Jain	- (-)	- (-)	- (-)	96.40 (96.40)	96.40 (96.40)
	- (-)	- (-)	- (-)	<b>589.59</b> <b>(589.59)</b>	<b>589.59</b> <b>(589.59)</b>
<b>Corporate guarantee given for</b>					
Parsvnath Hotels Limited	- (900.00)	- (-)	- (-)	- (-)	- (900.00)
Parsvnath Rail Land Project Private Limited	5,000.00 (-)	- (-)	- (-)	- (-)	5,000.00 (-)
Parsvnath Estate Developers Private Limited	12,000.00 (5,670.78)	- (-)	- (-)	- (-)	12,000.00 (5,670.78)
	<b>17,000.00</b> <b>(6,570.78)</b>	- (-)	- (-)	- (-)	<b>17,000.00</b> <b>(6,570.78)</b>
<b>Corporate guarantee received</b>					
Parsvnath Hotels Limited	<b>1,500.00</b> (-)	- (-)	- (-)	- (-)	<b>1,500.00</b> (-)
<b>(ii) Balances at the year end</b>					
<b>Trade receivables</b>					
Parsvnath Landmark Developers Private Limited	0.54 (0.54)	- (-)	- (-)	- (-)	0.54 (0.54)
Parsvnath Realcon Private Limited	300.00 (300.00)	- (-)	- (-)	- (-)	300.00 (300.00)
Parsvnath Hessa Developers Private Limited	- (39.73)	- (-)	- (-)	- (-)	- (39.73)
Parsvnath Estate Developers Private Limited	1,001.60 (479.41)	- (-)	- (-)	- (-)	1,001.60 (479.41)
	<b>1,302.14</b> <b>(819.68)</b>	- (-)	- (-)	- (-)	<b>1,302.14</b> <b>(819.68)</b>
<b>Interest receivable on debentures</b>					
Parsvnath Buildwell Private Limited	181.10 (41.46)	- (-)	- (-)	- (-)	181.10 (41.46)
Parsvnath Estate Developers Private Limited	815.02 (586.89)	- (-)	- (-)	- (-)	815.02 (586.89)
Parsvnath Promoters And Developers Private Limited	4,039.87 (2694.47)	- (-)	- (-)	- (-)	4039.87 (2694.47)
Parsvnath Hessa Developers Private Limited	422.53 (-)	- (-)	- (-)	- (-)	422.53 (-)
Parsvnath Rail Land Project Private Limited	309.87 (-)	- (-)	- (-)	- (-)	309.87 (-)
	<b>5,768.39</b> <b>(3,322.82)</b>	- (-)	- (-)	- (-)	<b>5,768.39</b> <b>(3,322.82)</b>

## Notes forming part of the financial statements

(₹ in Lacs)

<b>Transaction / Outstanding Balances</b>	<b>Subsidiary Companies</b>	<b>Entities under significant influence</b>	<b>Joint Venture Entities</b>	<b>Key Management Personnel and their relatives</b>	<b>Total</b>
<b>Interest receivable on advances</b>					
Parsvnath HB Projects Private Limited	-	-	-	-	-
	<b>(57.65)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(57.65)</b>
<b>Debenture application money</b>					
Parsvnath Rail Land Project Private Limited	-	-	-	-	-
	<b>(33.50)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(33.50)</b>
<b>Advances for land purchase / Property</b>					
Sureshwar Properties Private Limited	-	-	-	-	-
	<b>(-)</b>	<b>(2,700.00)</b>	<b>(-)</b>	<b>(-)</b>	<b>(2,700.00)</b>
Brinly Properties Private Limited	-	1,991.00	-	-	1,991.00
	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>
Generous Buildwell Private Limited	-	1,937.95	-	-	1,937.95
	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>
Parasnath And Associates Private Limited	-	3,068.50	-	-	3,068.50
	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>
Associates (each having less than 10% of balance outstanding)	-	11,551.12	-	-	11,551.12
	<b>(-)</b>	<b>(18,456.56)</b>	<b>(-)</b>	<b>(-)</b>	<b>(18,456.56)</b>
	<b>-</b>	<b>18,548.57</b>	<b>-</b>	<b>-</b>	<b>18,548.57</b>
	<b>(-)</b>	<b>(21,156.56)</b>	<b>(-)</b>	<b>(-)</b>	<b>(21,156.56)</b>
<b>Short-term / long-term loans and advances</b>					
Parsvnath Rail Land Project Private Limited	619.89	-	-	-	619.89
	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>
Parsvnath Landmark Developers Private Limited	316.92	-	-	-	316.92
	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>
Parsvnath Film City Limited	4,822.89	-	-	-	4,822.89
	<b>(4,821.75)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(4,821.75)</b>
Parsvnath Realcon Private Limited	5.74	-	-	-	5.74
	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>
Parsvnath Hotels Limited	80.33	-	-	-	80.33
	<b>(452.97)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(452.97)</b>
Parsvnath HB Projects Private Limited	2,994.07	-	-	-	2,994.07
	<b>(2,598.47)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(2,598.47)</b>
Parsvnath Promoters And Developers Private Limited	-	-	-	-	-
	<b>(4,364.20)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(4364.20)</b>
Parsvnath Estate Developers Private Limited	804.44	-	-	-	804.44
	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>
Parsvnath Buildwell Private Limited	41.22	-	-	-	41.22
	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>
	<b>9,685.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,685.50</b>
	<b>(12,237.39)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(12,237.39)</b>
<b>Security deposit (assets)</b>					
Nutan Jain	-	-	-	11.36	11.36
	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(11.36)</b>	<b>(11.36)</b>

## Notes forming part of the financial statements

(₹ in Lacs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
<b>Trade / Other payables</b>					
Parsvnath Infra Limited	354.12 (393.34)	- (-)	- (-)	- (-)	354.12 (393.34)
Parsvnath Landmark Developers Private Limited	- (149.86)	- (-)	- (-)	- (-)	- (149.86)
Primetime Realtors Private Limited	2.66 (3.21)	- (-)	- (-)	- (-)	2.66 (3.21)
Parsvnath Buildwell Private Limited	10.91 (10.91)	- (-)	- (-)	- (-)	10.91 (10.91)
Pradeep Kumar Jain (HUF)	- (-)	0.91 (0.42)	- (-)	- (-)	0.91 (0.42)
Nutan Jain	- (-)	- (-)	- (-)	2.72 (2.55)	2.72 (2.55)
Pradeep Kumar Jain	- (-)	- (-)	- (-)	0.26 (0.26)	0.26 (0.26)
Parsvnath Hessa Developers Private Limited	1,508.39 (1,492.17)	- (-)	- (-)	- (-)	1,508.39 (1,492.17)
Timebound Contracts Private Limited	- (-)	125.34 (138.44)	- (-)	- (-)	125.34 (138.44)
Associates (each having less than 10% of balance outstanding)	- (-)	16.43 (13.12)	- (-)	- (-)	16.43 (13.12)
	<b>1,876.08</b> <b>(2,049.49)</b>	<b>142.68</b> <b>(151.98)</b>	<b>-</b> <b>(-)</b>	<b>2.98</b> <b>(2.81)</b>	<b>2,021.74</b> <b>(2,204.28)</b>
<b>Advances from customers</b>					
Parsvnath Landmark Developers Private Limited	5,055.00 (5,055.00)	- (-)	- (-)	- (-)	5,055.00 (5,055.00)
Parsvnath Hotels Limited	490.11 (490.11)	- (-)	- (-)	- (-)	490.11 (490.11)
Parsvnath Buildwell Private Limited	650.00 (648.93)	- (-)	- (-)	- (-)	650.00 (648.93)
	<b>6,195.11</b> <b>(6,194.04)</b>	<b>-</b> <b>(-)</b>	<b>-</b> <b>(-)</b>	<b>-</b> <b>(-)</b>	<b>6,195.11</b> <b>(6,194.04)</b>
<b>Unsecured loans</b>					
Pradeep Kumar Jain	- (-)	- (-)	- (-)	2.86 (92.08)	2.86 (92.08)
Pradeep Kumar Jain & Sons (HUF)	- (-)	39.86 (5.44)	- (-)	- (-)	39.86 (5.44)
Parsvnath And Associates Private Limited	- (-)	- (102.11)	- (-)	- (-)	- (102.11)
	<b>-</b> <b>(-)</b>	<b>39.86</b> <b>(107.55)</b>	<b>-</b> <b>(-)</b>	<b>2.86</b> <b>(92.08)</b>	<b>42.72</b> <b>(199.63)</b>

## Notes forming part of the financial statements

(₹ in Lacs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
<b>Interest payable</b>					
Pradeep Kumar Jain	- (-)	- (-)	- (-)	4.74 (1.23)	4.74 (1.23)
Pradeep Kumar Jain & Sons (HUF)	- (-)	1.63 (1.67)	- (-)	- (-)	1.63 (1.67)
Parasnath And Associates Private Limited	- (-)	18.37 (16.96)	- (-)	- (-)	18.37 (16.96)
	- (-)	<b>20.00</b> <b>(18.63)</b>	- (-)	<b>4.74</b> <b>(1.23)</b>	<b>24.74</b> <b>(19.86)</b>
<b>Security deposits (liability)</b>					
Nanocity Haryana Infrastructure Limited	- (-)	- (27.39)	- (-)	- (-)	- (27.39)
Parsvnath Estate Developers Private Limited	4,260.00 (4,260.00)	- (-)	- (-)	- (-)	4,260.00 (4,260.00)
Parsvnath Buildwell Private Limited	13.74 (13.74)	- (-)	- (-)	- (-)	13.74 (13.74)
Parsvnath Landmark Developers Private Limited	460.00 (460.00)	- (-)	- (-)	- (-)	460.00 (460.00)
Parsvnath Hessa Developers Private Limited	7,059.85 (4,650.00)	- (-)	- (-)	- (-)	7,059.85 (4,650.00)
Parsvnath Rail Land Project Private Limited	2,893.25 (2,693.25)	- (-)	- (-)	- (-)	2,893.25 (2,693.25)
	<b>14,686.84</b> <b>(12,076.99)</b>	- <b>(27.39)</b>	- (-)	- (-)	<b>14,686.84</b> <b>(12,104.38)</b>
<b>Interest accrued on margin money deposit</b>					
Parsvnath Estate Developers Private Limited	- (105.71)	- (-)	- (-)	- (-)	- (105.71)
Parsvnath Buildwell Private Limited	2.57 (1.43)	- (-)	- (-)	- (-)	2.57 (1.43)
Parsvnath Hessa Developers Private Limited	1.16 (0.58)	- (-)	- (-)	- (-)	1.16 (0.58)
Parsvnath Rail Land Project Private Limited	- (17.44)	- (-)	- (-)	- (-)	- (17.44)
	<b>3.73</b> <b>(125.16)</b>	- (-)	- (-)	- (-)	<b>3.73</b> <b>(125.16)</b>
<b>Corporate guarantee given for loans</b>					
Parsvnath Hotels Limited	1,260.00 (1,260.00)	- (-)	- (-)	- (-)	1,260.00 (1,260.00)
Parsvnath Landmark Developers Private Limited	4,666.67 (8,166.67)	- (-)	- (-)	- (-)	4,666.67 (8,166.67)
Parsvnath Estate Developers Private Limited	21,000.00 (9,000.00)	- (-)	- (-)	- (-)	21,000.00 (9,000.00)
Parsvnath Rail Land Project Private Limited	5,000.00 (-)	- (-)	- (-)	- (-)	5,000.00 (-)
	<b>31,926.67</b> <b>(18,426.67)</b>	- (-)	- (-)	- (-)	<b>31,926.67</b> <b>(18,426.67)</b>

## Notes forming part of the financial statements

(₹ in Lacs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
<b>Corporate guarantee given for</b>					
Parsvnath Promoters And Developers Private Limited	- (1,000.00)	- (-)	- (-)	- (-)	- (1,000.00)
Parsvnath Estate Developers Private Limited	660.00 (660.00)	- (-)	- (-)	- (-)	660.00 (660.00)
Parsvnath Infra Limited	- (300.00)	- (-)	- (-)	- (-)	- (300.00)
Home Life Real Estate Private Limited	- (-)	15.06 (15.06)	- (-)	- (-)	15.06 (15.06)
	<b>660.00</b> <b>(1,960.00)</b>	<b>15.06</b> <b>(15.06)</b>	<b>-</b> <b>(-)</b>	<b>-</b> <b>(-)</b>	<b>675.06</b> <b>(1,975.06)</b>
<b>Corporate guarantee given by</b>					
Parsvnath Infra Limited	22,500.00 (22,500.00)	- (-)	- (-)	- (-)	22,500.00 (22,500.00)
Parsvnath Hotels Limited	14,500.00 (13,000.00)	- (-)	- (-)	- (-)	14,500.00 (13,000.00)
	<b>37,000.00</b> <b>(35,500.00)</b>	<b>-</b> <b>(-)</b>	<b>-</b> <b>(-)</b>	<b>-</b> <b>(-)</b>	<b>37,000.00</b> <b>(35,500.00)</b>
<b>Guarantee for loans</b>					
Chairman and whole-time Directors	- (-)	- (-)	- (-)	<b>140,947.44</b> <b>(135,880.72)</b>	<b>140,947.44</b> <b>(135,880.72)</b>
<b>Investments held</b>					
Parsvnath Landmark Developers Private Limited	3,590.98 (3,590.98)	- (-)	- (-)	- (-)	3,590.98 (3,590.98)
Parsvnath Infra Limited	2,604.94 (2,604.94)	- (-)	- (-)	- (-)	2,604.94 (2,604.94)
Parsvnath Film City Limited	175.00 (175.00)	- (-)	- (-)	- (-)	175.00 (175.00)
Parsvnath Telecom Private Limited	103.00 (103.00)	- (-)	- (-)	- (-)	103.00 (103.00)
Parsvnath Hotels Limited	1,350.00 (1,350.00)	- (-)	- (-)	- (-)	1,350.00 (1,350.00)
Parsvnath Retail Limited	- (8.00)	- (-)	- (-)	- (-)	- (8.00)
PDL Assets Limited	6.00 (6.00)	- (-)	- (-)	- (-)	6.00 (6.00)
Parsvnath Developers Pte. Limited	145.49 (145.49)	- (-)	- (-)	- (-)	145.49 (145.49)
Primetime Realtors Private Limited	1.00 (1.00)	- (-)	- (-)	- (-)	1.00 (1.00)
Parsvnath Promoters And Developers Private Limited	1,657.99 (1,657.99)	- (-)	- (-)	- (-)	1,657.99 (1,657.99)
Parsvnath Estate Developers Private Limited	377.50 (377.50)	- (-)	- (-)	- (-)	377.50 (377.50)

## Notes forming part of the financial statements

(₹ in Lacs)

Transaction / Outstanding Balances	Subsidiary Companies	Entities under significant influence	Joint Venture Entities	Key Management Personnel and their relatives	Total
Parsvnath Hessa Developers Private Limited	11,755.90 (9,001.00)	- (-)	- -	- (-)	11,755.90 (9,001.00)
Amazon India Limited	- (-)	212.50 (212.50)	- (-)	- (-)	212.50 (212.50)
Home Life Real Estate Private Limited	- (-)	77.50 (77.50)	- (-)	- (-)	77.50 (77.50)
Vardaan Buildtech Private Limited	- (-)	1.60 (1.60)	- (-)	- (-)	1.60 (1.60)
Nanocity Haryana Infrastructure Limited	- (-)	- (1,550.00)	- (-)	- (-)	- (1,550.00)
Ratan Parsvnath Developers (AOP)	- (-)	- (-)	629.02 (629.42)	- (-)	629.02 (629.42)
Parsvnath Buildwell Private Limited	9,913.50 (9,913.50)	- (-)	- (-)	- (-)	9,913.50 (9,913.50)
Parsvnath Buildwell Private Limited (Debentures)	1,083.59 (1,083.59)	- (-)	- (-)	- (-)	1,083.59 (1,083.59)
Parsvnath Promoters And Developers Private Limited (Debentures)	9,343.01 (9,343.01)	- (-)	- (-)	- (-)	9,343.01 (9,343.01)
Parsvnath Estate Developers Private Limited (Debentures)	1,635.35 (1,635.35)	- (-)	- (-)	- (-)	1,635.35 (1,635.35)
Parsvnath Estate Developers Private Limited (Share warrants)	460.15 (460.15)	- (-)	- (-)	- (-)	460.15 (460.15)
Parsvnath Rail Land Project Private Limited	1,145.00 (1.00)	- (-)	- (-)	- (-)	1,145.00 (1.00)
Parsvnath HB Projects Private Limited	2.50 (2.50)	- (-)	- (-)	- (-)	2.50 (2.50)
Parsvnath Rail Land Project Private Limited (Debentures)	3,220.19 (-)	- (-)	- (-)	- (-)	3,220.19 (-)
Parsvnath Hessa Developers Private Limited (Debentures)	669.27 (-)	- (-)	- (-)	- (-)	669.27 (-)
	<b>49,240.36</b> <b>(41,460.00)</b>	<b>291.60</b> <b>(1,841.60)</b>	<b>629.02</b> <b>(629.42)</b>	<b>-</b> <b>(-)</b>	<b>50,160.98</b> <b>(43,931.02)</b>

### NOTE 61: PREVIOUS YEAR'S FIGURES

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure.

For and on behalf of the Board of Directors

Sd/-  
**PRADEEP KUMAR JAIN**  
Chairman

Sd/-  
**SANJEEV KUMAR JAIN**  
Managing Director & CEO

Sd/-  
**R. J. KAMATH**  
Director

Sd/-  
**M.C. JAIN**  
Group Chief Financial Officer

Sd/-  
**V. MOHAN**  
Company Secretary

Place: New Delhi  
Date: 28 May, 2014

# Independent Auditors' Report

## TO THE BOARD OF DIRECTORS OF PARSVNATH DEVELOPERS LIMITED

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **PARSVNATH DEVELOPERS LIMITED** (the "Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal controls relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### Basis for Qualified Opinion

The consolidated financial statements include the unaudited financial statements of one subsidiary and one jointly controlled entity (Previous year ended 31<sup>st</sup> March, 2013: Nil), whose financial statements reflect total assets of ₹ 19,087.53 lacs as at 31<sup>st</sup> March,

2014, total revenue of ₹ 3,951.74 lacs and net cash flows amounting to ₹ 71.85 lacs for the year ended on that date, as considered in the consolidated financial statements. Our opinion, in so far as it relates to the amounts included in respect of the subsidiary and jointly controlled entity, is based solely on such unaudited financial statements.

### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above*, and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries and associates, referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31<sup>st</sup> March, 2014;
- in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

### Emphasis of Matter

Attention is invited to Note 43 of the consolidated financial statements, which describes the reasons for delays in payment of principal and interest on borrowings and discharge of its statutory liabilities by the Company. The management of the Company is of the opinion that no adverse impact is anticipated on future operations of the Company.

Our opinion is not qualified in respect of this matter.

### Other Matter

We did not audit the financial statements of six subsidiaries, whose financial statements reflect total assets of ₹ 13,493.99 lacs as at 31 March, 2014, total revenues of ₹ Nil and net cash flows amounting to ₹ 103.74 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 1.80 lacs for the year ended 31 March, 2014, as considered in the consolidated financial statements, in respect of four associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm Registration No. 015125N)

**Sd/-**  
**ALKA CHADHA**  
Partner  
(Membership No. 93474)

New Delhi  
28 May, 2014

# Consolidated Balance Sheet as at 31 March, 2014

(₹ in Lacs)

	Note No.	As at 31 March, 2014	As at 31 March, 2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
a. Share capital	4	21,759.06	21,759.06
b. Reserves and surplus	5	2,56,200.71	2,50,693.46
		<b>2,77,959.77</b>	<b>2,72,452.52</b>
<b>2. Share application money pending allotment</b>		4.00	3.71
<b>3. Minority interest</b>		11,433.69	15,541.76
<b>4. Non-current liabilities</b>			
a. Long-term borrowings	6	2,14,791.83	1,59,480.08
b. Other long-term liabilities	7	7,859.54	4,437.39
c. Long-term provisions	8	380.16	320.09
		<b>2,23,031.53</b>	<b>1,64,237.56</b>
<b>5. Current liabilities</b>			
a. Short-term borrowings	9	77,737.33	62,260.09
b. Trade payables	10	96,577.01	102,572.83
c. Other current liabilities	11	1,07,623.06	1,07,421.39
d. Short-term provisions	12	18,797.81	17,799.94
		<b>3,00,735.21</b>	<b>2,90,054.25</b>
		<b>8,13,164.20</b>	<b>7,42,289.80</b>
<b>II. ASSETS</b>			
<b>1. Non-current assets</b>			
a. Fixed assets			
i. Tangible assets	13	11,724.53	12,636.97
ii. Capital work-in-progress		84,758.09	78,856.26
		96,482.62	91,493.23
b. Goodwill on consolidation		4,618.96	8,767.40
c. Non-current investments	14	1,464.73	2,806.29
d. Deferred tax assets	15	527.27	446.96
e. Long-term loans and advances	16	58,070.17	54,427.67
		<b>1,61,163.75</b>	<b>1,57,941.55</b>
<b>2. Current assets</b>			
a. Inventories	17	3,47,540.87	3,38,806.28
b. Trade receivables	18	65,546.94	71,601.18
c. Cash and bank balances	19	26,026.84	17,440.57
d. Short-term loans and advances	20	1,40,941.40	87,935.30
e. Other current assets	21	71,944.40	68,564.92
		<b>6,52,000.45</b>	<b>5,84,348.25</b>
		<b>8,13,164.20</b>	<b>7,42,289.80</b>

See accompanying notes forming part of the financial statements

In terms of our report attached

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-  
**ALKA CHADHA**  
Partner

Sd/-  
**PRADEEP KUMAR JAIN**  
Chairman

Sd/-  
**SANJEEV KUMAR JAIN**  
Managing Director & CEO

Sd/-  
**R. J. KAMATH**  
Director

Sd/-  
**M.C. JAIN**  
Group Chief Financial Officer

Sd/-  
**V. MOHAN**  
Company Secretary

Place: New Delhi  
Date: 28 May, 2014

Place: New Delhi  
Date: 28 May, 2014

# Consolidated Statement of Profit and Loss

for the year ended 31 March, 2014

(₹ in Lacs)

	Note No.	Year ended 31 March, 2014	Year ended 31 March, 2013
1. Revenue from operations	22	56,081.17	64,263.86
2. Other income	23	1,893.71	2,693.80
<b>3. Total revenue (1+2)</b>		<b>57,974.88</b>	<b>66,957.66</b>
<b>4. Expenses</b>			
a. Cost of land / development rights		7,455.66	12,319.84
b. Cost of materials consumed	24	6,205.38	13,178.64
c. Purchases of stock-in-trade	25	28.29	41.84
d. Contract cost, labour and other charges		7,181.81	10,645.74
e. Changes in inventories of finished goods and work-in-progress	26	550.64	(12,720.20)
f. Employee benefits expense	27	4,605.01	4,363.50
g. Finance costs	28	17,526.12	14,262.11
h. Depreciation and amortisation expense	13	1,306.13	1,266.78
i. Other expenses	29	9,213.49	10,434.75
Total expenses		<b>54,072.53</b>	<b>53,793.00</b>
<b>5. Profit before tax (3 - 4)</b>		<b>3,902.35</b>	<b>13,164.66</b>
<b>6. Tax expense:</b>			
a. Current tax expense		2,360.02	5,798.59
b. Deferred tax charge / (credit)		(80.31)	111.18
Net tax expense		<b>2,279.71</b>	<b>5,909.77</b>
<b>7. Profit before minority interest (5 - 6)</b>		<b>1,622.64</b>	<b>7,254.89</b>
8. Less: Share of profit/(loss) transferred to minority interest		(0.08)	130.42
<b>9. Profit for the year (7 - 8)</b>		<b>1,622.72</b>	<b>7,124.47</b>
<b>10. Earnings per share</b>			
(Face value ₹ 5/- per equity share)			
Basic and Diluted	53	0.37	1.64

See accompanying notes forming part of the financial statements

In terms of our report attached  
For **DELOITTE HASKINS & SELLS**  
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-  
**ALKA CHADHA**  
Partner

Sd/-  
**PRADEEP KUMAR JAIN**  
Chairman

Sd/-  
**SANJEEV KUMAR JAIN**  
Managing Director & CEO

Sd/-  
**R. J. KAMATH**  
Director

Sd/-  
**M.C. JAIN**  
Group Chief Financial Officer

Sd/-  
**V. MOHAN**  
Company Secretary

Place: New Delhi  
Date: 28 May, 2014

Place: New Delhi  
Date: 28 May, 2014

## Consolidated Cash Flow Statement for the year ended 31 March, 2014

(₹ in Lacs)

	Year ended 31 March, 2014	Year ended 31 March, 2013
<b>1. Cash flow from operating activities</b>		
Profit before tax	3,902.35	13,164.66
Adjustments for :		
Depreciation and amortisation expense	1,306.13	1,266.78
(Profit) / loss on sale of fixed assets	67.17	(280.02)
(Profit) / loss on sale of investments	(214.74)	1.40
Finance costs	33,588.19	31,386.66
Interest income	(1,170.30)	(1,403.08)
Share of (profit) / loss in associates	(1.80)	(2.02)
Profit on sale of fixed assets held for disposal	-	(115.94)
Provision for employee benefits	60.95	27.41
Operating profit before working capital changes	37,537.95	44,045.85
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(8,734.59)	(34,985.27)
Trade receivables	6,054.24	(3,710.80)
Short-term loans and advances	(53,043.98)	(31,190.77)
Long-term loans and advances	(3,613.52)	(2,128.45)
Other current assets	(3,011.97)	15,815.81
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(5,995.82)	2,672.06
Other current liabilities	3,934.52	22,755.06
Other long-term liabilities	3,422.15	(853.38)
Cash generated from/(used in) operations	(23,451.02)	12,420.11
Net income tax paid	(2,977.62)	(3,115.63)
<b>Net cash flow used in operating activities</b>	<b>(26,428.64)</b>	<b>9,304.48</b>
<b>2. Cash flow from investing activities</b>		
Capital expenditure on fixed assets (including capital work-in-progress and capital advances)	(6,526.27)	(18,228.32)
Proceeds from sale of fixed assets	134.60	729.50
(Increase) / decrease in fixed deposits with banks (not considered as cash and cash equivalents)	(3,768.98)	3,617.17
Decrease in unpaid dividend account with banks	0.07	0.03
Purchase of long-term investments - Others	-	(0.25)
Sale of long-term investments - Associates	1,550.00	-
Purchase of long-term investments in subsidiaries	(3,424.17)	(2.50)
Sale of investments in subsidiaries	8.00	2.10
Interest received	802.79	1,371.44
<b>Net cash flow used in investing activities</b>	<b>(11,223.96)</b>	<b>(12,510.83)</b>

## Consolidated Cash Flow Statement for the year ended 31 March, 2014

(₹ in Lacs)

	Year ended 31 March, 2014	Year ended 31 March, 2013
<b>3. Cash flow from financing activities</b>		
Finance costs	(24,736.96)	(25,984.96)
Buy back of shares by a subsidiary	(805.00)	(3,456.00)
Share application money received by a subsidiary	0.29	-
Contribution by minority in share capital including share premium	3,689.64	-
Increase / (decrease) in working capital borrowings	(94.42)	(9,074.94)
Proceeds from other short-term borrowings	35,265.17	48,345.16
Repayment of other short-term borrowings	(19,693.51)	(23,407.55)
Proceeds from long-term borrowings	81,558.45	79,023.00
Repayment of long-term borrowings	(32,713.70)	(63,998.86)
<b>Net cash flow from financing activities</b>	<b>42,469.96</b>	<b>1,445.85</b>
<b>4. Net increase / (decrease) in cash and cash equivalents</b>	<b>4,817.36</b>	<b>(1,760.50)</b>
<b>5. Cash and cash equivalents as at the beginning of the year</b>	<b>4,102.54</b>	<b>5,858.15</b>
<b>6. Cash and cash equivalents of subsidiaries acquired during the year</b>	<b>-</b>	<b>4.89</b>
<b>7. Cash and cash equivalents as at the end of the year</b>	<b>8,919.90</b>	<b>4,102.54</b>
<b>Reconciliation of Cash and cash equivalents with the balance sheet:</b>		
Cash and cash equivalents as per Cash Flow Statement	8,919.90	4,102.54
Add: bank deposits not considered as cash and cash equivalent	17,068.83	13,299.85
Add: balance in bank account earmarked for payment of unpaid dividend	38.11	38.18
<b>Cash and bank balances as per balance sheet (See note 19)</b>	<b>26,026.84</b>	<b>17,440.57</b>

See accompanying notes forming part of the financial statements

In terms of our report attached

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants

For and on behalf of the Board of Directors

Sd/-  
**ALKA CHADHA**  
Partner

Sd/-  
**PRADEEP KUMAR JAIN**  
Chairman

Sd/-  
**SANJEEV KUMAR JAIN**  
Managing Director & CEO

Sd/-  
**R. J. KAMATH**  
Director

Sd/-  
**M.C. JAIN**  
Group Chief Financial Officer

Sd/-  
**V. MOHAN**  
Company Secretary

Place: New Delhi  
Date: 28 May, 2014

Place: New Delhi  
Date: 28 May, 2014

## Notes forming part of the consolidated financial statements

### NOTE 1: PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements relate to **PARSVNATH DEVELOPERS LIMITED** ("the Company") and its Subsidiary Companies, Jointly Controlled Entities and group's share of profit/loss in its Associate Companies ("the group") (Refer Note 3 for details of the Subsidiaries, Joint Ventures and Associates). Subsidiary Companies, Jointly Controlled Entities and Associate Companies have been consolidated as per Accounting Standards on Accounting for Consolidated Financial Statements (AS 21), Financial Reporting of Interests in Joint Ventures (AS 27) and Accounting for Investments in Associate Companies (AS 23) respectively. The Consolidated Financial Statements have been prepared on the following basis:

- a. The financial statements of the Company and its Subsidiary Companies are consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating all significant intra-group balances, intra-group transactions and unrealised profits on intra-group transactions.
- b. The Company's share of assets, liabilities, income and expenses of the Joint Ventures are consolidated using the proportionate consolidation method. Intra-group balances, intra-group transactions and unrealised profits are eliminated to the extent of Company's proportionate share.
- c. The difference between the cost of investment in the Subsidiaries and Joint Ventures over its proportionate share in the net asset value at the time of acquisition of stake in subsidiaries and Joint Ventures is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.
- d. Minorities' interest in net profit/loss of the consolidated Subsidiaries for the year is identified and adjusted against income in order to arrive at the net income attributable to shareholders of the Company. Minorities' interest in net asset of the consolidated Subsidiaries is identified and presented separately in the Consolidated Financial Statements.
- e. The consolidated financial statements include the share of profit/loss of the associates which have been accounted for using the equity method as per Accounting Standard 23 'Accounting for Investments in Associates in Consolidated Financial Statements'. Accordingly, the share of profit/loss of each associate company has been added to/deducted from the cost of investment.
- f. The difference between the cost of investment in the Associates and the share of net assets at the time of acquisition of shares in the Associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be and included

in the carrying value of the investment in the Associate.

- g. As far as possible the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- h. The financial statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the Company i.e. year ended 31 March, 2014.
- i. Goodwill arising on consolidation is not amortised but tested for impairment.

### NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

#### a. Basis of accounting and preparation of financial statements

The financial statements of the group have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13 September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/ 2013 Act, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

#### b. Use of estimates

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

#### c. Inventories

In case of Real Estate Business, inventory comprises completed property for sale and property under construction (work-in-progress).

- i. Completed unsold inventory is valued at lower of cost and net realisable value. Cost is determined by including

## Notes forming part of the consolidated financial statements

cost of land (including development rights), materials, services, related overheads and apportioned borrowing costs.

- ii. Work-in-progress is valued at lower of cost and net realisable value. Cost comprises cost of land (including development rights), materials, services, overheads related to projects under construction and apportioned borrowing costs.

In case of Hotel Business, inventory of raw material comprises food and beverages and stores. Inventories are valued at lower of cost and net realizable value. Cost is determined using first-in-first-out method. Cost includes all charges incurred in bringing the inventories to their present location and condition.

### d. Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### e. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### f. Fixed assets

Fixed assets are carried at cost less accumulated depreciation. The cost of fixed assets comprises its purchase price, directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition or construction of qualifying fixed assets, up to the date the asset is ready for its intended use. Subsequent expenditure on fixed assets after its purchase/completion is capitalised only if such expenditure results in an increase in the future benefits from such assets beyond its previously assessed standard of performance.

### g. Depreciation

- i. Depreciation on fixed assets is provided on written down value method as per the rates prescribed in Schedule

XIV to the Companies Act, 1956 or based on the management's estimates of the useful life of the assets, whichever is higher. Accordingly, the depreciation rates used are as under:

Building	5.00%
Plant and machinery	30.00%
Office equipment	30.00%
Shuttering and scaffolding	40.00%
Furniture and fixtures	30.00%
Motor vehicles	25.89%
Computers	60.00%

- ii. Cost of building on land held on license basis is amortized over the period of license of project facility on straight line basis.
- iii. Assets costing ₹ 5,000 or less individually are fully depreciated in the year of purchase.
- iv. Leasehold improvements are amortised over the lease period.

### h. Capital work-in-progress

Projects under which tangible fixed assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing costs.

### i. Pre-operative expenditure pending allocation

Pre-operative expenditure incurred in relation to construction of fixed assets in respect of projects which are yet to commence commercial operations pending allocation includes:

- i. Incidental expenditure during construction period comprising payment to and provision for employees, professional fees and other administrative expenses pending allocation to fixed assets on completion of the Project.
- ii. Borrowing costs net of interest income pending allocation to fixed assets on completion of the Project.

### j. Revenue recognition

- i. Revenue from real estate projects including integrated townships is recognised on the 'Percentage of Completion Method' of accounting. Revenue is recognized, in relation to the sold areas only, on the basis of percentage of actual cost incurred thereon including

## Notes forming part of the consolidated financial statements

land as against the total estimated cost of the project under execution subject to such actual costs being 30% or more of the total estimated cost. The estimates of saleable area and costs are revised periodically by the management. The effect of such changes to estimates is recognised in the period such changes are determined.

In accordance with Revised Guidance Note issued by the Institute of Chartered Accountants of India (ICAI), on 'Accounting for Real Estate Transactions (Revised 2012)', revenue recognition for all real estate projects commencing on or after 1 April, 2012 or where the revenue is recognised for the first time on or after 1 April, 2012, revenue is recognised on percentage of completion method if (a) actual construction and development cost (excluding land cost) incurred is 25% or more of the estimated cost, (b) At least 25% of the saleable project area is secured by contracts or agreements with buyers and (c) At least 10% of the total revenue as per sales agreement or any other legally enforceable document are realised as at the reporting date. However, there was no such project during the year.

- ii. In case of joint development projects, revenue is recognised to the extent of company's percentage share of the underlying real estate development project.
- iii. Revenue from sale of land without any significant development is recognised when the agreement to sell is executed resulting in transfer of all significant risk and rewards of ownership and possession is handed over to the buyer.
- iv. Revenue from sale of development rights is recognised when agreements are executed.
- v. Income from construction contracts is recognised by reference to the stage of completion of the contract activity at the reporting date of the financial statements. The related costs there against are charged to the Statement of profit and loss of the year. The stage of completion of the contract is measured by reference to the proportion that contract cost incurred for work performed up to the reporting date bears to the estimated total contract cost for each contract.
- vi. Any expected loss on real estate projects or construction contracts is recognised as an expense when it is certain that the total cost will exceed the total revenue.
- vii. The revenue on account of interest on delayed payment by customers and expenditure on account of compensation/penalty for project delays are

accounted for at the time of acceptance/settlement with the customers due to uncertainties with regard to determination of amount receivable/payable.

- viii. Income from license fee is recognised on accrual basis in accordance with the terms of agreement with the sub-licensees.
- ix. Revenue from sale of food and beverages is recognised on delivery to the customers. Sales is net of trade discounts and excludes sales tax and value added tax. Revenue from sale of room and allied services relating to hotel operations is recognised on rendering of services.
- x. Interest income is recognised on accrual basis on a time proportion basis.
- xi. Dividend income is recognised when the company's right to receive dividend is established.

### **k. Cost of construction/development**

Cost of construction/development (including cost of land/development rights) incurred is charged to the Statement of profit and loss proportionate to project area sold. Adjustments, if required, are made on completion of the respective projects.

### **l. Unbilled receivables**

Unbilled receivables represent revenue recognised on 'Percentage of Completion Method' less amount due from customers as per payment plans adopted by them.

### **m. Foreign currency transactions and translations**

- i. Transactions in foreign currencies entered into by the Group are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.
- ii. Foreign currency monetary items of the Group, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Group are carried at historical cost.
- iii. Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Group are recognised as income or expense in the Statement of Profit and Loss.
- iv. The financial statements of Foreign Subsidiaries in the nature of non-integral foreign operations are incorporated in the consolidated financial statements. For the purpose of consolidation, income and expense items are translated into the reporting currency at the average exchange rate during the year and assets and

## Notes forming part of the consolidated financial statements

liabilities are translated at the closing exchange rate. The resulting exchange differences are transferred to Foreign Currency Translation Reserve.

### n. Investments

Investments intended to be held for more than a year are classified as long term investments. All other investments are classified as current investments. Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

### o. Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity and compensated absences.

#### i. Defined contribution plan

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

#### ii. Defined benefit plan

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

#### iii. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

#### iv. Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

### p. Borrowing cost

Borrowing costs include interest and amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets.

### q. Segment reporting

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

### r. Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

Assets given under operating leases are included in fixed assets. Lease income is recognised in the Statement of Profit and Loss on a straight line basis over the lease term. Costs, including depreciation are recognised as expense in the Statement of Profit and Loss.

### s. Earnings per share

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax 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

## Notes forming part of the consolidated financial statements

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.

### **t. Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

### **u. Impairment of assets**

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the

carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

### **v. Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

### **w. Service tax input credit**

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

### **x. Operating cycle**

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group 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.

## Notes forming part of the consolidated financial statements

### NOTE 3:

The subsidiary companies, joint Venture entities and associate companies considered in Consolidated Financial Statements are as under:

Name of the Company	Proportion of ownership interest	
	As at 31 March, 2014	As at 31 March, 2013
<b>Subsidiaries</b>		
a. Parsvnath Landmark Developers Private Limited	78.00 %	78.00 %
b. Parsvnath Infra Limited	94.87%	94.87%
c. Parsvnath Film City Limited	100.00 %	100.00 %
d. Parsvnath Telecom Private Limited	100.00 %	100.00 %
e. Parsvnath Hotels Limited	100.00 %	100.00 %
f. Parsvnath Retail Limited (See note v below)	NIL	100.00 %
g. PDL Assets Limited	100.00 %	100.00 %
h. Parsvnath Estate Developers Private Limited	75.50 %	75.50 %
i. Parsvnath Promoters And Developers Private Limited	51.00 %	51.00 %
j. Parsvnath Developers Pte. Limited (See note i and iii below)	53.32 %	100.00 %
k. Parsvnath Hessa Developers Private Limited	100 %	50.10 %
l. Primetime Realtors Private Limited	100.00 %	100.00 %
m. Parsvnath Buildwell Private Limited	50.10 %	50.10 %
n. Parsvnath Rail Land Project Private Limited (See note iv below)	85.10 %	100.00 %
o. Parsvnath HB Projects Private Limited	51.00 %	51.00 %
<b>Step down subsidiaries</b> (Ownership interest of holding company)		
a. Parsvnath MIDC Pharma SEZ Private Limited (Subsidiary of Parsvnath Infra Limited)	100.00 %	100.00 %
b. Parsvnath Hospitality Holdings Limited (Subsidiary of Parsvnath Developers Pte. Limited) (see note i and iii below)	100.00 %	100.00 %
c. Parsvnath Realcon Private Limited (Subsidiary of Parsvnath Buildwell Private Limited)	100.00 %	100.00 %
<b>Jointly controlled entities / Joint venture companies</b>		
a. Ratan Parsvnath Developers (AOP) (see note ii below)	50.00 %	50.00 %
<b>Jointly controlled entities of Parsvnath Infra Limited, subsidiary Company (Ownership interest of Parsvnath Infra Limited)</b>		
a. Palakkad Infrastructure Private Limited	33.33 %	33.33 %
<b>Associate Companies</b>		
a. Amazon India Limited	48.30 %	48.30 %
b. Home Life Real Estate Private Limited	50.00 %	50.00 %
c. Vardaan Buildtech Private Limited	33.33 %	33.33 %
d. Nanocity Haryana Infrastructure Limited (See note vi below)	NIL	38.00 %

### Notes:

- All subsidiary companies, jointly controlled entities and associate companies are incorporated in India except Parsvnath Developers Pte. Limited, a subsidiary company and its wholly owned subsidiary Parsvnath Hospitality Holdings Limited, which were incorporated in Singapore.
- Ratan Parsvnath Developers (AOP), the jointly controlled entity, being unincorporated Joint Venture, has been set up vide agreement entered into in India.
- The financial statements of Parsvnath Developers Pte. Limited and Parsvnath Hospitality Holdings Limited, incorporated in Singapore have been prepared in accordance with the Singapore Financial Reporting Standards. Differences with the accounting policies of the Company are not material.
- Parsvnath Rail Land Project Private Limited has been considered as a subsidiary on the basis of voting power in the Company in accordance with Accounting Standard 21 (AS-21) on 'Consolidated Financial Statements'.
- Parsvnath Retail Limited has ceased to be a subsidiary during the year.
- Nanocity Haryana Infrastructure Limited has ceased to be an associate company during the year.
- The financial statements of Parsvnath Buildwell Private Limited, subsidiary company and Palakkad Infrastructure Private Limited, jointly controlled entity have been consolidated on the basis of unaudited financial statements.

## Notes forming part of the consolidated financial statements

### NOTE 4: SHARE CAPITAL

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	₹ in Lacs	Number of shares	₹ in Lacs
<b>a. Authorised</b>				
i. Equity shares of ₹ 5/- each	60,00,00,000	30,000.00	60,00,00,000	30,000.00
ii. Preference shares of ₹ 10/- each	5,00,00,000	5,000.00	5,00,00,000	5,000.00
	<b>65,00,00,000</b>	<b>35,000.00</b>	<b>65,00,00,000</b>	<b>35,000.00</b>
<b>b. Issued, subscribed and fully paid up</b>				
i. Equity shares of ₹ 5/- each	43,51,81,170	21,759.06	43,51,81,170	21,759.06
	<b>43,51,81,170</b>	<b>21,759.06</b>	<b>43,51,81,170</b>	<b>21,759.06</b>

Refer notes (i) to (iii) below:

#### i. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares	₹ in Lacs	Number of shares	₹ in Lacs
<b>Equity shares of ₹ 5/- each, fully paid up:</b>				
i. Outstanding at the beginning of the year	43,51,81,170	21,759.06	43,51,81,170	21,759.06
ii. Issued during the year	-	-	-	-
iii. Outstanding at the end of the year	<b>43,51,81,170</b>	<b>21,759.06</b>	<b>43,51,81,170</b>	<b>21,759.06</b>

#### ii. Rights, preferences and restrictions attached to equity shares:

The Company has issued only one class of equity shares having a par value of ₹ 5/- per share. Each holder of equity shares is entitled to one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### iii. Details of equity shares held by each shareholder holding more than 5% shares in the Company:

Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% holding	Number of shares held	% holding
<b>Equity shares of ₹ 5/- each, fully paid up:</b>				
i. Pradeep Kumar Jain & Sons (HUF)	11,69,16,571	26.866	11,52,49,728	26.483
ii. Pradeep Kumar Jain	11,37,97,153	26.149	10,68,52,559	24.554
iii. Parasnath and Associates Private Limited	4,72,77,992	10.864	4,72,77,992	10.864
iv. Nutan Jain	4,49,08,974	10.320	4,39,59,644	10.101
v. Fidelity Securities Fund Fidelity Blue Chip Growth Fund	2,17,71,340	5.003	2,17,71,340	5.003

## Notes forming part of the consolidated financial statements

### NOTE 5: RESERVES AND SURPLUS

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>a. Capital reserve</b>		
i. As per last balance sheet	377.87	377.87
ii. Add: created upon further acquisition of shares of a subsidiary	2,011.01	-
	2,388.88	377.87
<b>b. Capital redemption reserve</b>		
i. As per last balance sheet	90.18	-
ii. Add: transferred from Surplus in Statement of Profit and Loss	25.05	90.18
iii. Add: adjusted upon further acquisition of shares of a subsidiary	114.77	-
	230.00	90.18
<b>c. Securities premium</b>		
i. As per last balance sheet	1,43,781.22	1,45,422.48
ii. Add: premium on shares issued during the year	168.99	-
iii. Less: utilised for buy back of shares by a subsidiary	-	1,641.26
iv. Add: adjusted upon further acquisition of shares of a subsidiary	1,641.26	-
	1,45,591.47	1,43,781.22
<b>d. Debentures redemption reserve</b>		
i. As per last balance sheet	3,500.00	19,286.00
ii. Less: transferred to Surplus in Statement of Profit and Loss	2,000.00	15,786.00
	1,500.00	3,500.00
<b>e. Foreign currency translation reserve</b>		
i. Exchange difference on investments in overseas subsidiary Company:		
- As per last balance sheet	40.61	5.80
- For the year	(35.49)	34.81
ii. Less: transferred to minority interest	2.39	-
	2.73	40.61
<b>f. General reserve</b>		
i. As per last balance sheet	9,310.00	9,310.00
	9,310.00	9,310.00
<b>g. Surplus in Consolidated Statement of Profit and Loss</b>		
i. As per last balance sheet	93,593.58	70,771.82
ii. Add: profit for the year	1,622.72	7,124.47
iii. Add: transferred from debenture redemption reserve	2,000.00	15,786.00
iv. Less: transferred to capital redemption reserve	25.05	90.18
v. Add: balance of subsidiaries acquired during the year	-	(0.05)
vi. Add: profit on cessation of subsidiary	-	1.49
vii. Less: opening balance of accumulated profits transferred to Minority	13.62	(0.03)
	97,177.63	93,593.58
	<b>2,56,200.71</b>	<b>2,50,693.46</b>

## Notes forming part of the consolidated financial statements

### NOTE 6: LONG-TERM BORROWINGS

(₹ in Lacs)

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	Non-current	Current	Non-current	Current
<b>Secured:</b>				
<b>a. Debentures</b>				
i. 14.80% Non-convertible redeemable debentures (Series XI)	-	-	-	12,500.00
ii. 16.00% Non-convertible redeemable debentures (Series VIII)	-	-	-	1,488.51
iii. 15.00% Non-convertible redeemable debentures	36,000.00	-	36,000.00	-
iv. 15.50% Non-convertible redeemable debentures (Series B)	24,439.00	-	-	-
v. 18.00% Non-convertible redeemable debentures (Series XII)	128.57	171.43	-	-
vi. 18.00% Non-convertible redeemable debentures (Series XIII)	2,442.86	3,257.14	-	-
vii. 21.00% Non-convertible redeemable debentures	21,000.00	-	-	-
	<b>84,010.43</b>	<b>3,428.57</b>	<b>36,000.00</b>	<b>13,988.51</b>
<b>b. Term loans</b>				
i. From banks	12,049.61	2,890.00	15,598.35	10,444.04
ii. From financial institutions / others	46,182.19	15,013.63	53,501.58	7,866.65
	58,231.80	17,903.63	69,099.93	18,310.69
	<b>1,42,242.23</b>	<b>21,332.20</b>	<b>1,05,099.93</b>	<b>32,299.20</b>
<b>Unsecured:</b>				
<b>a. Debentures</b>				
i. 15.25% Compulsorily convertible debentures	7,578.26	-	7,578.26	-
ii. 14% Fully convertible debentures	-	-	4,500.00	-
iii. 15.50% Fully convertible debentures	11,177.50	-	11,177.50	-
iv. 16% Fully convertible debentures (Series I)	9,340.73	-	9,340.73	-
v. 16% Fully convertible debentures (Series II)	8,792.66	-	8,792.66	-
vi. 15.50% Fully convertible debentures (Series 'A')	8,751.00	-	8,751.00	-
vii. 17.25% Fully convertible debentures (Series 'B')	2,500.00	-	2,500.00	-
viii. 17.75% Fully convertible debentures (Series 'C')	1,740.00	-	1,740.00	-
ix. 0.1% Optionally convertible debentures (Series X)	6,550.00	-	-	-
x. 0.1% Optionally convertible debentures (Series Y)	16,000.00	-	-	-
	72,430.15	-	54,380.15	-
<b>b. Inter-corporate deposits</b>	119.45	-	-	-
	119.45	-	-	-
	<b>72,549.60</b>	-	<b>54,380.15</b>	-
	<b>2,14,791.83</b>	<b>21,332.20</b>	<b>1,59,480.08</b>	<b>32,299.20</b>
Less: Amount disclosed under "Other current liabilities" (refer Note 11)	-	21,332.20	-	32,299.20
	<b>2,14,791.83</b>	-	<b>1,59,480.08</b>	-

#### i. Details of terms of repayment and securities provided in respect of secured debentures are as under:

(₹ in Lacs)

Particulars	As at	As at
	31 March, 2014	31 March, 2013
a. 15.00% NCDs of ₹ 36,000 lacs were issued by a subsidiary Company during the year ended 31 March, 2013. The NCDs are secured by (a) first charge by way of hypothecation of assets, contracts receivables, all present and future book debts, outstandings, monies receivables, claims and receivables of the said subsidiary Company together with all and any interest accruing thereon, (b) first and exclusive charge over the leasehold rights of the said subsidiary Company in respect of Site parcels already leased / to be leased by RLDA. These NCDs 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.	36,000.00	36,000.00

## Notes forming part of the consolidated financial statements

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
b. 15.00% NCDs of ₹ 24,439 lacs were issued by a subsidiary Company during the year ended 31 March, 2014. The NCDs are secured by (a) second charge by way of hypothecation of assets, contracts receivables, all present and future book debts, outstandings, monies receivables, claims and receivables of the said subsidiary Company together with all and any interest accruing thereon, (b) second charge over the leasehold rights of the said subsidiary Company in respect of Site parcels already leased / to be leased by RLDA. These NCDs 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. 21 August, 2013.	24,439.00	-
c. 18% NCDs of ₹ 300 lacs were issued during the year ended 31 March, 2014. The NCDs are secured by 1st pari-passu charge by way of registered mortgage over development rights of Exotica, Gurgaon Project, all unsold units of the project developed / being developed by the Company, Parsvnath Hessa Developers Pvt. Ltd. and Parsvnath Sharmistha Realtors Pvt. Ltd., charge on receivables of the project and personal guarantee of Chairman, Managing Director and a Whole-time Director of the Company. These NCDs are redeemable in 7 quarterly installments commencing from June, 2014 and ending in December, 2015.	300.00	-
d. 18% NCDs of ₹ 5,700 lacs were issued during the year ended 31 March, 2014. The NCDs are secured by 1st pari-passu charge by way of equitable mortgage over development rights of Exotica, Gurgaon Project, all unsold units of the project developed / being developed by the Company, Parsvnath Hessa Developers Pvt. Ltd. and Parsvnath Sharmistha Realtors Pvt. Ltd., charge on receivables of the project and personal guarantee of Chairman, Managing Director and a Whole-time Director of the Company. These NCDs are redeemable in 7 quarterly installments commencing from June, 2014 and ending in December, 2015.	5,700.00	-
e. 21% NCDs of ₹ 21,000 lacs were issued by a subsidiary Company during the year ended 31 March, 2014. The NCDs are secured by first ranking and exclusive charge and hypothecation of (a) monies and investments made by the said subsidiary Company and on all receivables (subject to payment obligation owned by the subsidiary Company to Delhi Metro Rail Corporation (DMRC) under the Concession Agreement entered by subsidiary Company With DMRC, and (b) Bank accruals and floating charge on all other assets of the subsidiary Company. The NCDs are further secured by corporate guarantee of the Company, pledge of equity shares, share warrants and optionally convertible debentures to the extent of its holding in that subsidiary Company and personal guarantee of Chairman. These NCDs are redeemable after the expiry of a period of 12 months but before the expiry of 42 months from the date of allotment i.e. 5 February, 2014.	21,000.00	-
f. 14.80% NCDs of ₹ 12,500 lacs were issued during the year ended 31 March, 2011. The NCDs were secured by equitable mortgage of project land at Rohtak and Sonapat and charge on receivables of these projects through escrow account and personal guarantee of Chairman. These NCDs were redeemable in 4 quarterly installments commencing from June, 2013 and ending in March, 2014. Accordingly, these NCDs were fully redeemed during the year.	-	12,500.00
g. 16.00% NCDs of ₹ 6,000 lacs were issued during the year ended 31 March, 2011. The NCDs were secured by pledge of equity shares of the Company held by the promoters and registered mortgage of office space at Arunachal Building, Connaught Place, New Delhi. The NCDs were further secured by cross collateralisation clause with NCDs of ₹ 12,500 lacs and personal guarantee of Chairman. These NCDs were redeemable in 24 monthly installments commencing from October, 2011 and ending in August, 2013. Accordingly, these NCDs were fully redeemed during the year.	-	1,488.51
	<b>87,439.00</b>	<b>49,988.51</b>

## Notes forming part of the consolidated financial statements

### ii. Details of terms of repayment and securities provided in respect of secured term loans are as under:

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
a. Term loan from a bank is secured by mortgage of project land at Greater Noida, hypothecation of present and future receivables of the said project and personal guarantee of Chairman. The term loan is repayable in 6 quarterly installments commencing from November, 2014 and ending in February, 2016.	12,499.61	12,549.61
b. Term loan from two banks and a financial institution under consortium arrangement is secured by pari-passu charge by way of (a) equitable mortgage of land at Saharanpur, (b) 2nd pari-passu charge over receivables of commercial space at Akshardham project and charge over receivable of Saharanpur land, and (c) corporate guarantee of land owning companies. The term loan is repayable in quarterly installments commencing from December, 2010 and ending in March, 2016.	1,524.00	2,109.03
c. Term loan from a financial institution is secured by equitable mortgage of project land at Indore and Kurukshetra, charge on receivables of project 'Pragati' Dharuhera and personal guarantee of Chairman. The term loan is repayable in 57 monthly installments commencing from October, 2012 and ending in June, 2017.	13,642.56	13,642.56
d. Term loan from a non-banking financial Company is secured by equitable mortgage of property at Hauz Khas, pledge of 150 lacs (fixed) equity shares of the Company held by the promoters, cross default clause with other loans from the lender, personal guarantee of Chairman, Managing Director and a Whole-time Director of the Company and charge on receivables of project Sonepat Group Housing II through an escrow account. The term loan is repayable in 30 monthly installments commencing from August, 2013 and ending in January, 2016.	5,022.59	6,000.00
e. Term loans from non-banking financial Company are secured by (1) equitable mortgage of (a) project land at K.G. Marg, New Delhi, (b) Group Housing and commercial land at Derabassi, (c) Land at Alipur, New Delhi and (2) charge on receivables of the projects through escrow mechanism at (a) K.G. Marg, New Delhi, (b) Parsvnath City, Dharuhera, (c) Parsvnath Royale, Panchkula (d) Group Housing, commercial and plotted area at Derabassi (e) plotted area of Narain City, Jaipur, (f) plotted area of Paliwal city, Panipat and (3) Cross collateralisation of the securities with other loans from the lender and personal guarantee of Chairman, Managing Director and a Whole-time Director of the Company. The term loan is repayable in monthly installments commencing from July, 2014 and ending in July, 2021.	34,400.00	33,000.00
f. Term loan from a bank, sanctioned to a subsidiary Company, is secured by mortgage of hotel land at Shirdi and buildings thereon, first charge on all the movable and immovable assets including receivables of Shirdi Hotel, corporate guarantee of the Company and personal guarantee of Chairman. Loan is repayable in thirty quarterly instalments commencing from December, 2015 and ending in March, 2023.	1,260.00	1,260.00
g. Term loan from a non-banking financial Company, sanctioned to a subsidiary Company, is secured by exclusive first charge and registered mortgage over all the assets present and future, properties including lease hold interest on the project land of 'La Tropicana Project' and receivables of the said project. The loan is further secured by corporate guarantee of the Company along with pledge of all Class 'A' shares of the subsidiary Company held by the Company. Loan is repayable in twelve quarterly instalments commencing from March, 2012 and ending in December, 2014.	4,666.67	8,166.67

## Notes forming part of the consolidated financial statements

(₹ in Lacs)

Particulars	As at	As at
	31 March, 2014	31 March, 2013
h. Term loan from a non-banking financial Company is secured by (a) registered mortgage of project land at Bohar, Rohtak (b) equitable mortgage of project land at Rajpura, Patiala (c) charge on receivables of both the projects through escrow mechanism, and (d) Cross collateralisation of the securites with others loans from the lender and personal guarantee of Chairman, Managing Director and a Whole-time Director of the Company. The term loan is repayable in 57 monthly installments commencing from November, 2013 and ending in July, 2018.	1,120.00	-
i. Term loan from a financial institution is secured by pledge of equity shares of the Company held by the promoters and pari-passu charge by way of equitable mortgage of commercial land at Goa and Jodhpur and personal guarantee of Chairman, Managing Director and a Whole-time Director of the Company. The term loan is repayable in 36 monthly installments commencing from March, 2015 and ending in February, 2018.	2,000.00	-
j. Term loan from three banks under consortium arrangement is secured by (a) 2nd pari-passu charge through escrow account on all receivables of commercial space at the 8 DMRC Stations namely Shahdara, Azadpur, Kashmiri Gate, Seelampur (Station Box), Pratap Nagar, Tis Hazari, Inderlok (Annexe) and Inderlok (Station Box) subject to prior charge of DMRC to the extent of outstanding dues, (b) corporate guarantee of Parsvnath and Associates Private Limited, (c) personal guarantees of Chairman, Managing Director and a Whole-time Director of the Company, and (d) pledge of equity shares of the Company held by the promoters. The term loan was repayable in 17 quarterly instalments commencing from October, 2009 and ending in October, 2013. Loan has been fully repaid during the year.	-	1,682.75
k. Term loan from a bank, sanctioned to a subsidiary Company, is secured by Second pari-passu charge on receivables of the project of the said subsidiary Company, corporate guarantee of the Company, pledge of equity shares by the Company to the extent of its holdings in the subsidiary Company and collateral security as equitable mortgage of land at Bhiwadi, Rajasthan, 30 commercial shops at Parsvnath City Mall, Faridabad and Commercial space at Parsvnath Mall Manhattan, Faridabad, all in the name of Company. Loan is repayable in fourteen quarterly instalments commencing from March, 2013 and ending in June, 2016. Loan has been fully repaid during the year.	-	9,000.00
	<b>76,135.43</b>	<b>87,410.62</b>

### iii. Details of terms of conversion / repayment in respect of unsecured debentures are as under:

(₹ in Lacs)

Particulars	As at	As at
	31 March, 2014	31 March, 2013
a. 15.25% Compulsorily Convertible Debentures issued by a subsidiary Company are convertible at the option of the holder at anytime on or prior to mandatory conversion date 12 June, 2024 in such number of equity shares at such price as may be mutually decided.	7,578.26	7,578.26
b. 15.50% Fully Convertible Debentures issued by a subsidiary Company. Each debenture shall be converted into 10 Class 'B' shares of the issuing subsidiary Company at a time and manner as mutually decided in accordance with the Amended and Restated Investment and Security Holders Agreement dated 14 September, 2010.	11,177.50	11,177.50
c. 16% Fully Convertible Debentures (Series I) issued by a subsidiary Company. Each debenture is convertible into one equity share entitled to dividend and/or one different class of share (collectively entitled to 0.001% of the voting rights in the issuing subsidiary) on the terms and conditions mentioned in the 'Investment and Security Holder's Agreement' dated 23 November, 2010 as amended by the first supplementary agreement dated 31 March, 2011.	9,340.73	9,340.73

## Notes forming part of the consolidated financial statements

d. 16% Fully Convertible Debentures (Series II) issued by a subsidiary Company. Each debenture is convertible into one different class of share entitled to dividend (collectively entitled to 0.001% of the voting rights in the issuing subsidiary) on the terms and conditions mentioned in the 'Investment and Security Holder's Agreement' dated 23 November, 2010 as amended by the first supplementary agreement dated 31 March, 2011.	8,792.66	8,792.66
e. 15.50% Fully Convertible Debentures (Series 'A') issued by a subsidiary Company. The debentures are convertible, at the option of the investor, into Class 'B' shares of ₹ 10/- each of the issuing subsidiary Company at a premium of ₹ 190/- per share subject to Reserve Bank of India (RBI) pricing guidelines. In case no such option is exercised by the investor, these shall be mandatorily converted into Class 'B' shares on expiry of twenty years from the date of issue.	8,751.00	8,751.00
f. 17.25% Fully Convertible Debentures (Series 'B') issued by a subsidiary Company. Each debenture shall be converted into 10 Class 'B' shares of the issuing subsidiary Company at a time and manner as mutually decided in accordance with the Amended and Restated Investment and Security Holders Agreement dated 14 September, 2010.	2,500.00	2,500.00
g. 17.75% Fully Convertible Debentures (Series 'C') issued by a subsidiary Company. Each debenture shall be converted into 10 Class 'B' shares of the issuing subsidiary Company at a time and manner as mutually decided in accordance with the Amended and Restated Investment and Security Holders Agreement dated 14 September, 2010.	1,740.00	1,740.00
h. 0.1% Optionally convertible debentures (Series X) (OCDs) issued by a subsidiary Company. These OCDs shall be converted into Equity Shares in the manner set out in Optionally Convertible Debentures Subscription Agreement dated 21 August, 2013. The holders of these OCDs shall also have a right to convert these OCDs into Non-Convertible Debentures at any time within a period of 12 months from the date of allotment, i.e. 21 August, 2013, on same terms as other NCDs of Series B issued by the said subsidiary Company. These OCDs will be redeemed on or before the expiry of 10 years from the date of allotment, at a premium as per the agreement.	6,550.00	-
i. 0.1% Optionally convertible debentures (Series Y) (OCDs) issued by a subsidiary Company. These OCDs shall be converted into Equity Shares in the manner set out in Optionally Convertible Debentures Subscription Agreement dated 21 August, 2013. The holders of these OCDs shall also have a right to convert these OCDs into Non-Convertible Debentures at any time within a period of 12 months from the date of allotment, i.e. 21 August, 2013, on same terms as other NCDs of Series B issued by the said subsidiary Company. These OCDs will be redeemed on or before the expiry of 10 years from the date of allotment, at a premium as per the agreement.	16,000.00	-
j. 14% Fully Convertible Debentures issued by a subsidiary Company. The debentures were convertible, at the option of the investor, into Class 'B' shares of ₹ 10/- each of the issuing subsidiary Company at a premium of ₹ 990/- per share subject to Reserve Bank of India (RBI) pricing guidelines. In case no such option is exercised by the investor, these shall be mandatorily converted into class 'B' shares on expiry of five years from the date of issue. During the year, these debentures have been acquired by the Company from the investors.	-	4,500.00
	<b>72,430.15</b>	<b>54,380.15</b>

#### iv. Details of long-term borrowings guaranteed by some of the directors:

(₹ in Lacs)

Particulars	As at	As at
	31 March, 2014	31 March, 2013
a. Debentures	27,000.00	13,988.51
b. Term loans from banks	13,759.61	15,492.36
c. Term loans from financial institutions/others	56,185.15	52,642.56
	<b>96,944.76</b>	<b>82,123.43</b>

## Notes forming part of the consolidated financial statements

v. The rate of interest applicable on long-term borrowings are as under:

Particulars	Outstanding Amount	Rate of interest per annum
	₹ in Lacs	%
a. Debentures	137,319.15	15.00% to 21.00%
b. Debentures	22,550.00	0.10%
c. Term loans from banks	14,939.61	13.25% to 17.25%
d. Term loans from financial institutions / others	61,195.82	13.50% to 20.86%
e. Inter corporate deposits	119.45	11%

### NOTE 7: OTHER LONG-TERM LIABILITIES

(₹ in Lacs)

Particulars	As at	As at
	31 March, 2014	31 March, 2013
a. Trade / security deposits received	7,089.07	3,762.23
b. Advances from customers	770.47	675.16
	<b>7,859.54</b>	<b>4,437.39</b>

### NOTE 8: LONG-TERM PROVISIONS

(₹ in Lacs)

Particulars	As at	As at
	31 March, 2014	31 March, 2013
a. <b>Provision for employee benefits:</b>		
i. Provision for gratuity	284.65	235.58
ii. Provision for compensated absences	95.51	84.51
	<b>380.16</b>	<b>320.09</b>

### NOTE 9: SHORT-TERM BORROWINGS

(₹ in Lacs)

Particulars	As at	As at
	31 March, 2014	31 March, 2013
<b>Secured:</b>		
a. Loans repayable on demand		
i. From banks - Cash Credit	10,151.65	10,064.20
ii. From banks - Overdraft	-	181.87
	10,151.65	10,246.07
b. Term loans		
i. From banks	500.00	412.50
ii. From Financial Institutions/ Others	60,619.57	44,660.25
	61,119.57	45,072.75
c. Vehicle loans		
i. From banks	361.67	400.00
ii. From others	18.98	27.60
	380.65	427.60
	<b>71,651.87</b>	<b>55,746.42</b>

## Notes forming part of the consolidated financial statements

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>Unsecured:</b>		
a. Loans repayable on demand		
i. From other parties	4,392.47	4,885.73
	4,392.47	4,885.73
b. Loans and advances from related parties	47.47	212.78
c. Fixed deposits		
i. From Public	1,588.05	1,329.17
ii. From Shareholders	57.47	85.99
	1,645.52	1,415.16
	<b>6,085.46</b>	<b>6,513.67</b>
	<b>77,737.33</b>	<b>62,260.09</b>
<b>i. Details of securities provided in respect of short-term borrowings from banks - cash credit are as under:</b>		
a. Cash Credit is secured by first pari-passu charge over current assets of the Company excluding those assets specifically charged to other Banks/Financial Institutions and equitable mortgage of land & building at Moradabad and Greater Noida and personal guarantee of Chairman, Managing Director and a Whole-time Director of the Company.	5,194.70	5,039.51
b. Cash Credit is secured by first pari-passu charge over current assets of the Company excluding those assets specifically charged to other Banks/Financial Institutions, equitable mortgage of commercial land at Panipat & Sonapat and personal guarantee of Chairman, Managing Director and a Whole-time Director of the Company.	2,529.45	2,505.44
c. Cash Credit is secured by first pari-passu charge over current assets of the Company excluding those assets specifically charged to other Banks/Financial Institutions, equitable mortgage of commercial land at Dharuhera, personal guarantee of Chairman, Managing Director and a Whole-time Director of the Company and corporate guarantee of Land owning companies.	1,409.97	1,506.32
d. Cash Credit is secured by first pari-passu charge over current assets of the Company excluding those assets specifically charged to other Banks/Financial Institutions, equitable mortgage of project land at Rajpura and commercial space at Saharanpur, pledge of term deposit of ₹ 207 lacs, personal guarantee of Chairman, Managing Director and a Whole-time Director of the Company and corporate guarantee of a land owning Company.	1,017.53	1,012.93
	<b>10,151.65</b>	<b>10,064.20</b>
<b>ii. Details of securities provided in respect of short-term borrowings from banks - overdraft are as under:</b>		
a. The overdraft from banks is secured by way of pledge of fixed deposits with them.	-	<b>181.87</b>
<b>iii. Details of securities provided in respect of term loans from banks and financial institutions / others are as under:</b>		
a. Term loan from a bank is secured by first pari-passu charge over current assets of the Company excluding those assets specifically charged to other banks / financial institutions, equitable mortgage of project land at Rajpura and commercial space at Saharanpur, pledge of term deposit of ₹ 207 lacs, personal guarantee of Chairman, Managing Director and a Whole-time Director of the Company and corporate guarantee of a land owning Company.	10.00	412.50

## Notes forming part of the consolidated financial statements

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
b. Term loan from a financial institution is secured by pledge of equity shares of the Company held by the promoters and mortgage of project land at Sonepat and charge on receivables of the said project through escrow accounts, personal guarantee of Chairman, Managing Director and a Whole-time Director of the Company and corporate guarantee of land owning companies.	6,500.00	9,000.00
c. Term loan from a non-banking financial Company is secured by pledge of equity shares of the Company held by the promoters, registered mortgage of project land at Sonepat, personal guarantee of Chairman and cross collateral clause with another term loan from the same non-banking financial Company.	2,969.36	2,969.36
d. Term loan from a financial institution is secured against keyman insurance policy taken by the Company.	670.21	556.26
e. Term loan from a non-banking financial Company is secured by equitable mortgage of property including land and building of project land at Karnal, personal gurantee of Chairman and corporate guarantee of land owning Company.	2,400.00	2,400.00
f. Term loans from non-banking financial companies are secured by pledge of equity shares of the Company held by the promoters, mortgage of project land of 'Parsvnath Mall' at Rohini, charge on its receivables through escrow account and personal guarantee of Chairman.	21,500.00	21,500.00
g. Term loans from non-banking financial companies are secured by pledge of equity shares of the Company held by the promoters, mortgage of land of project 'Pleasant - II' at Dharuhera, charge on its receivables and personal guarantee of Chairman.	2,500.00	1,000.00
h. Term loan from a bank is secured by equitable mortgage of plot at Sanwar, Indore, personal guarantee of Chairman, Managing Director and a Whole-time Director of the Company and corporate guarantee of a land owning Company.	490.00	-
i. Term loan from a financial institution is secured by pari-passu charge by way of equitable mortgage of commercial lands at Goa & Jodhpur, pledge of equity shares of the Company held by the promoters and personal guarantee of Chairman, Managing Director and a Whole-time Director of the Company.	1,080.00	-
j. Term loan from a non-banking financial Company is secured by equitable mortgage of project land at Parsvnath Pratibha, phase -I, Moradabad and charge on its receivables through escrow mechanism, personal guarantee of Chairman and cross collateral clause with another term loan from the same non-banking financial Company.	2,800.00	-
k. Term loan from a non-banking financial Company is secured by pledge of equity shares of the Company held by the promoters, equitable mortgage of project land at Rohtak and Sonepat and charge on its receivables through escrow mechanism, pledge of equity shares of land owing companies, equitable mortgage of land at City Centre, Bhiwadi and personal guarantee of Chairman.	15,200.00	-
l. Term loan from a non-banking financial Company, sanctioned to a subsidiary Company, is secured by pledge of equity shares of the Company held by the promoters, mortgage of a land of the Company at Indore, hypothecation of Company's share in cash flows from a residential project at Bhiwadi, pledge of shareholding in the said subsidiary Company held by the Company and first pari-passu charge to be shared with proposed RLDA project/ construction lenders and existing NCD holders on assignment of leasehold rights of the subsidiary Company in RLDA project. The loan is further secured by corporate guarantee of the Company and personal guarantee of Chairman of the Company.	5,000.00	-

## Notes forming part of the consolidated financial statements

(₹ in Lacs)

Particulars	As at	As at
	31 March, 2014	31 March, 2013
m. Term loan from a financial institution is secured by pledge of equity shares of the Company held by the promoters, personal guarantee of Chairman, Managing Director and a Whole-time Director of the Company and equitable mortgage of project lands at Goa and Jodhpur.	-	4,583.79
n. Term loan from a financial institution is secured by equitable mortgage of commercial land at Goa, pledge of equity shares of the Company held by the promoters and personal guarantee of Chairman.	-	1,830.00
o. Term loan from a non-banking financial Company is secured by registered mortgage of project land at Sonapat, personal guarantee of Chairman and Managing Director and cross collateral clause with another term loan from the same non-banking financial Company.	-	557.44
p. Term loan from a non-banking financial Company is secured by mortgage of few shops at Commercial Mall in Noida.	-	263.40
	<b>61,119.57</b>	<b>45,072.75</b>
<b>iv. Details of securities provided in respect of vehicle loans from banks and others are as under:</b>		
a. Loan taken from a bank for vehicles is secured by way of hypothecation of specific vehicles financed and personal guarantee of Chairman.	361.67	400.00
b. Loan taken from a non-banking financial Company for a vehicle is secured by way of hypothecation of specific vehicle financed.	18.98	27.60
	<b>380.65</b>	<b>427.60</b>
<b>v. Details of short-term borrowings guaranteed by some of the directors:</b>		
a. Loans repayable on demand from banks	10,151.65	10,064.20
b. Term loans from banks and financial institutions/others	60,449.36	44,253.09
c. Loans repayable on demand from others	300.00	300.00
d. Vehicle loans from a bank	361.67	400.00
	<b>71,262.68</b>	<b>55,017.29</b>
<b>vi. The rate of interest applicable on short-term borrowings are as under:</b>		
Particulars	Outstanding amount	Rate of interest per annum
	₹ in Lacs	%
a. Cash credit Limits	10,151.65	14.75% to 17.75%
b. Loans from banks	500.00	15.50% to 16.00%
c. Loans from financial institutions	12,580.00	17.50% to 18.50%
d. Loan from a financial institution	670.21	9.00%
e. Loans from non-banking financial Companies	47,369.36	17.25% to 24.00%
f. Inter corporate deposits	4,392.47	12.00% to 20.00%
g. Fixed deposits	1,645.52	10.00% to 12.50%
h. Loans from related parties	42.72	12.00% to 18.00%
i. Loan from a related party	4.75	Interest free
j. Vehicle loans from bank	361.67	10.45% to 10.70%
k. Vehicle loans from others	18.98	8.04%

## Notes forming part of the consolidated financial statements

### NOTE 10: TRADE PAYABLES

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
a. Other than acceptances:		
i. Trade payables for goods and services	55,506.91	54,355.69
ii. Trade payables for land	41,070.10	48,217.14
	<b>96,577.01</b>	<b>102,572.83</b>

### NOTE 11: OTHER CURRENT LIABILITIES

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
a. Current maturities of long-term debt (refer note 6)	21,332.20	32,299.20
b. Interest accrued but not due on borrowings	9,404.35	7,936.06
c. Interest accrued and due on borrowings	8,601.26	2,723.74
d. Unclaimed dividends	38.11	38.18
e. Other payables:		
i. Statutory dues	4,847.70	3,093.90
ii. Payables on purchase of fixed assets	1,080.13	2,725.75
iii. Interest accrued but not due on others	192.83	302.24
iv. Trade / security deposits received	23,351.53	19,575.10
v. Advances from customers	38,459.54	38,586.87
vi. Book overdraft - banks	141.89	138.83
vii. Others	173.52	1.52
	<b>107,623.06</b>	<b>107,421.39</b>

### NOTE 12: SHORT-TERM PROVISIONS

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
a. <b>Provision for employee benefits:</b>		
i. Provision for gratuity	144.66	145.43
ii. Provision for compensated absences	60.03	58.38
	<b>204.69</b>	<b>203.81</b>
b. <b>Provision - others:</b>		
i. Provision for tax (net of advance tax ₹ 34,609.81 lacs; as at 31 March, 2013 ₹ 35,836.25 lacs)	18,593.12	17,596.13
	<b>18,593.12</b>	<b>17,596.13</b>
	<b>18,797.81</b>	<b>17,799.94</b>

## Notes forming part of the consolidated financial statements

### NOTE 13: FIXED ASSETS

(₹ in Lacs)

Description	Gross block			Accumulated depreciation			Net block		
	As at 01.04.2013	Additions	Deduction/ adjustment	As at 31.03.2014	As at 01.04.2013	For the Year	Deduction/ adjustment	As at 31.03.2014	As at 31.03.2013
<b>TANGIBLE ASSETS:</b>									
<b>OWN ASSETS :</b>									
Land and building	2,187.10	-	3.28	2,183.82	499.70	81.60	1.41	579.89	1,603.93
Building on leasehold land	12,297.40	20.00	29.12	12,288.28	2,706.44	683.91	20.11	3,370.24	8,918.04
Leasehold improvements	201.43	-	201.43	-	83.18	41.96	125.14	-	118.25
Plant and machinery	3,654.06	4.84	8.54	3,650.36	3,149.47	152.03	5.16	3,296.34	504.59
Shuttering and scaffolding	4,121.27	-	0.78	4,120.49	3,932.30	75.59	0.75	4,007.14	188.97
Furniture and fixtures	1,405.03	1.98	12.66	1,394.35	1,222.10	54.60	7.42	1,269.28	182.93
Motor vehicles	1,245.43	565.13	570.79	1,239.77	989.83	182.83	481.61	691.05	255.60
Office equipment	628.23	3.30	26.74	604.79	530.22	28.49	13.28	545.43	98.01
Computers	454.37	0.21	18.31	436.27	444.11	5.12	15.00	434.23	10.26
<b>Total</b>	<b>26,194.32</b>	<b>595.46</b>	<b>871.65</b>	<b>25,918.13</b>	<b>13,557.35</b>	<b>1,306.13</b>	<b>669.88</b>	<b>14,193.60</b>	<b>11,724.53</b>
Previous year	26,376.36	343.30	525.34	26,194.32	12,366.43	1,266.78	75.86	13,557.35	14,009.93

## Notes forming part of the consolidated financial statements

### NOTE 14: NON-CURRENT INVESTMENTS

(At cost)

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>A. Trade investments (unquoted)</b>		
<b>a. Investment in equity shares of:</b>		
<b>i. Associates</b>		
a. Amazon India Limited		
25,000 (Previous year 25,000) equity shares of ₹ 10/- each fully paid-up	2.50	2.50
Add: goodwill on consolidation	210.00	210.00
Add: share in opening accumulated profits	40.83	40.82
Add: share in profits of current year	-	0.01
	253.33	253.33
b. Home Life Real Estate Private Limited		
7,75,000 (Previous year 7,75,000) equity shares of ₹ 10/- each fully paid-up	77.50	77.50
Add: share in opening accumulated profits	20.37	18.42
Add: share in profits of current year	1.95	1.95
	99.82	97.87
c. Vardaan Buildtech Private Limited		
16,000 (Previous year 16,000) equity shares of ₹ 10/- each fully paid-up	1.60	1.60
Add: share in opening accumulated profits	3.17	3.15
Add: share in profits of current year	-	0.02
	4.77	4.77
d. Nanocity Haryana Infrastructure Limited		
Nil (Previous year 38,00,000) equity shares of ₹ 10/- each, amount paid-up was ₹ 3.73 per equity share	-	141.74
Add: goodwill on consolidation	-	1,408.26
Add: share in opening accumulated losses	-	(206.53)
Add: share in profits of current year	-	0.04
	-	1,343.51
	357.92	1,699.48
<b>ii. Other entities</b>		
a. Nakshatra Residency Private Limited		
5,000 (Previous year 5,000) equity shares of ₹ 10/- each fully paid-up	0.50	0.50
b. Aadi Best Consortium Private Limited		
1,000 (Previous year 1,000) equity shares of ₹ 10/- each fully paid-up	0.10	0.10
c. Honey Builders Limited \$		
2,500 (Previous year 2,500) equity shares of ₹ 10/- each fully paid-up	0.25	0.25
	0.85	0.85
<b>Total trade investments (A)</b>	<b>358.77</b>	<b>1,700.33</b>
<b>B. Other investments (unquoted)</b>		
<b>a. Investment in equity shares of:</b>		
<b>i. Other entities</b>		
a. Delhi Stock Exchange Limited		
14,96,500 (Previous year 14,96,500) equity shares of ₹ 1/- each fully paid-up	1,047.55	1,047.55

## Notes forming part of the consolidated financial statements

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
b. Jaipur Stock Exchange Limited 3,24,500 (Previous year 3,24,500) equity shares of ₹ 1/- each fully paid-up	58.41	58.41
<b>Total other investments (B)</b>	<b>1,105.96</b>	<b>1,105.96</b>
<b>Total non-current investments (A + B)</b>	<b>1,464.73</b>	<b>2,806.29</b>
Aggregate amount of quoted investments	-	-
Market value of quoted investments	-	-
Aggregate amount of unquoted investments	<b>1,464.73</b>	<b>2,806.29</b>

§ The shares have been pledged with Debenture trustees towards security for debentures issued.

### NOTE 15: DEFERRED TAX ASSETS

Break-up of deferred tax assets is as follows:

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
i. Tax effect of provision for employee benefits charged in the financial statements but allowable as deductions in future years under Income Tax Act	285.93	251.75
ii. Tax effect of difference between carrying amount of fixed assets in the financial statements and the income tax return	148.33	176.53
iii. Other timing differences	93.01	18.68
<b>Deferred tax assets</b>	<b>527.27</b>	<b>446.96</b>

### NOTE 16: LONG-TERM LOANS AND ADVANCES

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>Unsecured, considered good:</b>		
a. Capital advances	1,683.44	1,654.46
b. Security deposits	3,720.50	3,675.95
c. Advances for land purchase to related parties	15,480.07	21,156.56
d. Advances for investment to related parties	4.00	4.00
e. Advances for land purchase to others	12,235.56	4,412.71
f. Upfront fee paid for projects (unamortised)	23,502.13	22,012.49
g. Prepaid expenses	1,107.27	1,136.36
h. MAT credit entitlement	33.00	33.00
i. Other loans and advances	304.20	342.14
	<b>58,070.17</b>	<b>54,427.67</b>

## Notes forming part of the consolidated financial statements

### NOTE 17: INVENTORIES

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
(At lower of cost and net realisable value)		
a. Work-in-progress (projects)	3,43,511.59	3,33,220.00
b. Finished flats	4,029.28	5,574.70
c. Food, beverages and stores	-	11.58
	<b>3,47,540.87</b>	<b>3,38,806.28</b>

### NOTE 18: TRADE RECEIVABLES

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
(Unsecured, considered good)		
a. Outstanding for a period exceeding six months from the date they were due for payment	37,695.49	41,875.34
b. Other trade receivables	27,851.45	29,725.84
	<b>65,546.94</b>	<b>71,601.18</b>

Note: Other trade receivables include ₹ 13,888.26 lacs (previous year ₹ 16,447.44 lacs) on account of receivables which have not yet become due for payment.

### NOTE 19: CASH AND BANK BALANCES

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>A. Cash and cash equivalents:</b>		
a. Cash on hand	116.03	76.62
b. Cheques and drafts on hand	180.74	115.86
c. Balances with banks		
i. In current accounts	2,446.53	2,753.73
ii. In deposit accounts	6,176.60	1,156.33
	<b>8,919.90</b>	<b>4,102.54</b>
<b>B. Other bank balances:</b>		
a. Deposits with banks held as margin money or security against borrowings or guarantees	17,068.83	13,299.85
b. Balances with banks in earmarked accounts		
i. Unpaid dividend accounts	38.11	38.18
	17,106.94	13,338.03
	<b>26,026.84</b>	<b>17,440.57</b>
Of the above, the balances that meet the definition of Cash and cash equivalents as per Accounting Standard 3 - Cash Flow Statement	8,919.90	4,102.54

Note: Balances with banks include deposits amounting to ₹ 937.11 lacs (Previous year ₹ 2,916.62 lacs), which have a maturity of more than 12 months from the balance sheet date.

## Notes forming part of the consolidated financial statements

### NOTE 20: SHORT TERM LOANS AND ADVANCES

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>(Unsecured, considered good)</b>		
a. Advances for land purchase to related parties	3,068.50	-
b. Loans and advances to related parties	1.87	-
c. Security deposits	1,519.35	1,715.56
d. Loans and advances to employees	14.63	4.17
e. Prepaid expenses	2,213.03	2,076.41
f. Balances with government authorities		
i. CENVAT credit receivable	1,350.16	547.11
g. Others		
i. Advances for land purchase	1,21,044.90	70,915.29
ii. Advances to suppliers	5,379.97	7,607.29
iii. Others	6,348.99	5,069.47
	<b>1,40,941.40</b>	<b>87,935.30</b>

### NOTE 21: OTHER CURRENT ASSETS

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
a. Unbilled receivables	68,245.05	65,599.88
b. Accruals		
i. Interest accrued on deposits with banks	904.54	537.03
c. Others		
i. Receivables on sale of fixed assets / investments	2,794.81	2,428.01
	<b>71,944.40</b>	<b>68,564.92</b>

### NOTE 22: REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
a. Revenue from sale of properties (see note 2(j))	53,372.29	60,148.95
<b>Sub-total (a)</b>	<b>53,372.29</b>	<b>60,148.95</b>
b. Sale of services:		
i. Income from construction contracts	129.38	1,202.17
ii. Management fee	15.55	-
iii. Licence fee income	1,875.70	1,741.90
iv. Rent income	83.59	93.71
v. Maintenance charges income	95.89	216.30
<b>Sub-total (b)</b>	<b>2,200.11</b>	<b>3,254.08</b>
c. Other operating revenues:		
i. Sale of scrap	43.76	56.40
ii. Others	465.01	804.43
<b>Sub-total (c)</b>	<b>508.77</b>	<b>860.83</b>
<b>Total (a+b+c)</b>	<b>56,081.17</b>	<b>64,263.86</b>

## Notes forming part of the consolidated financial statements

### NOTE 23: OTHER INCOME

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
a. Interest income:		
i. Interest on deposits with banks	1,170.30	1,403.08
ii. Interest income from customers/others	179.28	473.27
b. Profit on sale of fixed assets	-	280.02
c. Other non-operating income:		
i. Share of profit in associates	1.80	2.02
ii. Profit on sale of investments in subsidiary / associate companies	214.74	-
iii. Profit on sale of assets held for disposal	-	115.94
iv. Miscellaneous income	327.59	419.47
	<b>1,893.71</b>	<b>2,693.80</b>

### NOTE 24: COST OF MATERIALS CONSUMED

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
a. Construction material	6,185.07	13,121.26
b. Food, beverages and stores	20.31	57.38
	<b>6,205.38</b>	<b>13,178.64</b>

### NOTE 25: PURCHASES OF STOCK-IN-TRADE

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
a. Finished flats	28.29	41.84
	<b>28.29</b>	<b>41.84</b>

### NOTE 26: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
a. Inventories at the beginning of the year:		
i. Work-in-progress	3,33,220.00	2,97,902.07
Add: acquired upon acquisition of joint venture business by a subsidiary	-	5,288.30
Less: Liability for land payment reversed during the year	6,765.26	-
Less: transferred to capital work-in-progress	-	108.68
	3,26,454.74	3,03,081.69
ii. Finished flats	5,574.70	5,881.26
Less: Transferred to fixed assets	-	13.00
	5,574.70	5,868.26
	<b>3,32,029.44</b>	<b>3,08,949.95</b>

## Notes forming part of the consolidated financial statements

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
b. Add: Finance costs allocated to inventory of work-in-progress (see note (i) to note 28)	16,062.07	17,124.55
c. Inventories at the end of the year:		
i. Work-in-progress	3,43,511.59	3,33,220.00
ii. Finished flats	4,029.28	5,574.70
	<b>3,47,540.87</b>	<b>3,38,794.70</b>
<b>Net (increase) / decrease (a+b-c)</b>	<b>550.64</b>	<b>(12,720.20)</b>

### NOTE 27: EMPLOYEE BENEFITS EXPENSE

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
a. Salaries and wages	4,455.57	4,209.39
b. Contributions to provident and other funds	42.74	43.83
c. Staff welfare expenses	106.70	110.28
	<b>4,605.01</b>	<b>4,363.50</b>

### NOTE 28: FINANCE COSTS

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
a. Interest expense on:		
i. Borrowings	28,120.79	24,204.83
ii. Others		
a. To customers / on trade payables / others	2,286.08	2,652.87
b. Interest on delayed / deferred payment of income tax and other statutory liabilities	1,992.99	1,912.71
b. Other borrowing costs	1,188.33	2,616.25
	<b>33,588.19</b>	<b>31,386.66</b>
Less: Finance costs allocated to inventory of work-in-progress (see note (i) below)	16,062.07	17,124.55
	<b>17,526.12</b>	<b>14,262.11</b>

**Note:**

- (i) Interest allocable to inventory of projects under progress (work-in-progress) has been segregated from finance cost and reflected under changes in inventories of work-in progress for better presentation (Also see note 26).

## Notes forming part of the consolidated financial statements

### NOTE 29: OTHER EXPENSES

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
a. Power and fuel charges	927.79	1,186.44
b. Rent including lease rentals	1,420.61	1,541.79
c. Repairs and maintenance		
i. Building	88.62	159.34
ii. Machinery	25.87	52.55
iii. Others	413.34	729.27
d. Insurance	171.25	161.43
e. Rates and taxes	208.73	457.55
f. Postage and telephone expenses	127.62	136.14
g. Travelling and conveyance	223.77	269.74
h. Printing and stationery	117.35	118.94
i. Advertisement and business promotion	1,255.19	670.57
j. Sales commission	539.45	950.18
k. Vehicle running and maintenance	107.17	144.68
l. Rebate and discount	611.12	1,012.51
m. Legal and professional charges (see note i. below)	1,300.57	1,246.38
n. Project consultancy fees	1,358.72	1,289.72
o. Loss on sale of investments	-	1.40
p. Loss on sale of fixed assets	67.17	-
q. Miscellaneous expenses	249.15	306.12
	<b>9,213.49</b>	<b>10,434.75</b>
<b>Note:</b>		
<b>i. Auditors' remuneration:</b>		
Legal and professional charges include auditors' remuneration (net of service tax input credit, where applicable) as follows:		
a. Statutory audit fee	78.52	61.93
b. Tax audit fee	3.00	3.00
c. Limited reviews fee	24.00	24.00
d. Certification and other services	2.00	-
e. Reimbursement of out-of-pocket expenses	1.91	0.96
f. Service tax on above	10.49	10.05
	<b>119.92</b>	<b>99.94</b>

## Notes forming part of the consolidated financial statements

### NOTE 30: CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR)

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
a. Claims against the Group not acknowledged as debt*:		
i. Demand for payment of stamp duty	904.10	904.10
ii. Customer complaints pending in courts	10,956.85	6,804.48
iii. Civil cases against the Group	61.05	32.24
iv. Income tax demand	670.92	636.62
v. Trade tax demand	1,771.40	1,989.50
vi. Entry tax demand	-	133.56
vii. Licence fees to DMRC	1,104.27	-
viii. Claims of contractors / vendors	-	2,574.31
ix. Others	9.07	9.07
b. Future export obligations against EPCG licence	87.55	87.55
c. Security / performance guarantees issued by the banks to various government authorities, for which the Group has provided counter guarantee	15.06	15.06
d. Corporate guarantees issued on behalf of other company in respect of loans taken by it:		
i. Sanctioned amount	11,000.00	11,000.00
ii. Outstanding amount	11,000.00	11,000.00

\* Based on consultation with the Group's solicitors, the Group does not expect any outflow of economic resources in respect of above claims and therefore no provision is made in respect thereof.

### NOTE 31: COMMITMENTS

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
a. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	19,922.68	18,287.84
b. Uncalled liability on shares partly paid	-	2,600.00

### NOTE 32:

Pursuant to Investment Agreement dated 21 December, 2010

entered into between the Company, Parsvnath Buildwell Private Limited (PBPL), Parsvnath And Associates Private Limited (Co-Promoter) and two overseas Investment entities (Investors) and 'Assignment of Development Rights Agreement' dated 28 December, 2010 entered into with PBPL and Collaborators, the Company had assigned Development Rights in respect of one of its on-going project, namely, 'Parsvnath Exotica, Ghaziabad' (on land admeasuring 31 acres) situated at Village Arthala, Ghaziabad (the Project) to PBPL on terms and conditions contained therein. Further the Company has given the following undertakings to PBPL:

- The project shall be completed within the agreed completion schedule. Construction cost for completion of project shall not exceed the amount set out in the agreement and the project revenue from sold area shall be at least the amount set out in the agreement.
- In case of delays in completion of the project, any penalties or compensation payable to customers shall be borne by the Company.
- The Company shall not, directly or indirectly, create any encumbrance over or transfer any equity securities held by it in PBPL during the lock in period (till completion of project) except for securing construction loan.

### NOTE 33:

Pursuant to Investment Agreement dated 9 December, 2009 entered into between the Company, Parsvnath Hessa Developers Private Limited (PHDPL) and two Overseas Investors, the Company had transferred and assigned Development Rights in relation to a part of its on-going project, namely, 'Parsvnath Exotica, Gurgaon' (on land admeasuring 11.092 acres) situated at Sector 53, Golf Course Road, Gurgaon (the Project) to PHDPL on terms and conditions contained therein.

During the year, the Company has entered into a 'Securities Purchase Agreement' dated 27 June, 2013 with PHDPL and two existing Overseas Investors, pursuant to which the Company has purchased all the securities held by both the Overseas Investors in PHDPL and the existing Overseas Investors have exited from PHDPL. Consequently, PHDPL has become a wholly-owned subsidiary of the Company.

### NOTE 34:

The Company had entered into a Memorandum of Understanding (MOU) dated 22 December, 2010 with Parsvnath Realcon Private Limited (PRPL) a wholly owned subsidiary of its subsidiary Parsvnath Buildwell Private Limited (PBPL). Pursuant to the MOU, the Company has assigned development rights of the project,

## Notes forming part of the consolidated financial statements

namely, 'Parsvnath Paramount' on land admeasuring 6,445 square metres situated at Subhash Nagar, New Delhi to PRPL. The Company has also entered into a 'Project Management Agreement' with PRPL and PBPL for overall management and coordination of project development. Further, the Company has given following Undertakings to PRPL:

- a. It shall complete the project within the completion schedule and Construction Cost as set out in the Agreement.
- b. The project revenues from sold area shall be at least the amount set out in the Agreement and such revenues shall be realised within 36 months from the effective date.
- c. In the event of construction cost overrun or revenue shortfall, the Company shall contribute such excess/shortfall amount against allotment of equity shares or other instruments at such premium as may be mutually determined by the parties.

### **NOTE 35:**

The Company had entered into a Development Agreement with Chandigarh Housing Board for the development of residential, commercial and other related infrastructure facilities as an integrated project on land admeasuring 123.79 acres situated at Rajiv Gandhi Technology Park, Chandigarh.

Owing to various factors such as delay in handing over unencumbered land and consequential determination of start of development period, delay in approval of drawings, etc. and various other issues, disputes have arisen between the Company and Chandigarh Housing Board (CHB). The Company has invoked the arbitration clause in the development agreement and arbitration proceedings have been completed in March, 2014. Pending decision arising out of the arbitration proceedings, the amount spent on construction/development of the project has been included under work-in-progress (inventory).

### **NOTE 36:**

Parsvnath Film City Limited (PFCL), a subsidiary of the Company has given an advance of ₹ 4,775.00 lacs to 'Chandigarh Administration' (CA), being 25% of the consideration amount for acquisition of leasehold rights in respect of a plot of land admeasuring 30 acres, under Development Agreement dated 2 March, 2007 for development of a "Multimedia-cum-Film City" Complex.

The Chandigarh Administration has not been able to deliver possession of the said land to PFCL in accordance with the terms of agreement. PFCL has accordingly invoked the arbitration clause for seeking refund of allotment money paid along with compensation, cost incurred and interest. Arbitrators vide their order dated 10 March, 2012, have decided the matter in favour

of PFCL and awarded refund of ₹ 4,919.00 lacs towards the bid amount and other expenses incurred by PFCL along with interest @ 12 % per annum.

Subsequently, the CA filed a petition before the District Judge at Chandigarh challenging the award under section 34 of The Arbitration and Conciliation Act, 1996. The Petition was heard and PFCL filed its reply on the due date. The CA has filed its Rejoinder and also filed an application seeking permission to lead evidence and witnesses. Pending decision of the Court, cost reimbursement and interest has not been recognised in the books of PFCL.

### **NOTE 37:**

The Company had executed an 'Amended and Restated Investment and Security Holder's Agreement' dated 14 September, 2010 with one of its Subsidiaries, Parsvnath Estate Developers Private Limited (PEDPL), two Overseas Investment Entities (Investors) and others for development of an office complex on a plot of land admeasuring 15,583.83 sq. mtrs. situated at Bhai Veer Singh Marg, New Delhi, on the terms and conditions as contained in the Agreement and as amended from time to time. The Rights in the said plot have been allotted on 'Build Operate Transfer' (BOT) basis to the Company by Delhi Metro Rail Corporation Ltd. (DMRC). These Rights have been assigned by the Company in favour of PEDPL for implementation of the Project on DMRC approval.

During the year, PEDPL has issued Non-Convertible Debentures (NCDs) of ₹ 21,000.00 lacs, listed on BSE, to an overseas entity. The Company has provided Corporate Guarantee and pledged its securities in PEDPL as a security for the issue of NCDs.

### **NOTE 38:**

The Company had executed 'PDL Support Agreement' in favour of Parsvnath Landmark Developers Private Limited (PLDPL) and J.P. Morgan Advisors India Private Limited being the Security Trustees for the Term Loan of ₹ 14,000.00 lacs given to PLDPL. In terms of the said Agreement, the Company has given an Undertaking for completion of construction of 'La Tropicana' Project, New Delhi, within the amount set out in the Agreement and within the Completion Schedule, as stated therein. Any escalation in the construction cost is to be funded by the Company. Further, the Company has also undertaken that it shall maintain at all times not less than 78% of the Ownership interest and voting rights in PLDPL.

### **NOTE 39:**

The Company was declared as the "Selected Bidder" for grant of lease for development of project on plot of land at Sarai Rohilla, Kishanganj, Delhi by 'Rail Land Development Authority' (RLDA) vide its 'Letter of Acceptance' (LOA) dated 26 November, 2010. In terms of the LOA, the project was being implemented

## Notes forming part of the consolidated financial statements

through a Special Purpose Vehicle (SPV), Parsvnath Promoters And Developers Private Limited (PPDPL). Subsequently, in terms of the requirements of RLDA, another company in the name of Parsvnath Rail Land Project Private Limited (PRLPPL) was incorporated as SPV to implement the project. RLDA has accepted PRLPPL as the SPV vide its letter dated 3 August, 2012.

The Company has executed an 'Investment and Security Holders' Agreement dated 20 December 2012 with PRLPPL alongwith two overseas Investment entities (Investors) in relation to the project. Subsequently, the Company has executed an 'Amended and Restated Investment and Security Holders Agreement' on 21 August, 2013 with PRLPPL alongwith aforesaid Investors for financing of the project. Accordingly, the Company has invested in 3,09,634 17.50% Optionally Convertible Debentures (Series 'B') of ₹ 1,040/- each and 1,10,000 equity shares of ₹ 10/- each at a premium of ₹ 1,030/- per share in PRLPPL.

### **NOTE 40:**

The Company has entered into concession agreements with Delhi Metro Rail Corporation Limited (DMRC) for various projects on Build-operate-transfer (BOT) basis. In two of such projects, the Company was unable to commercially utilise the properties due to (a) lack of clarity between DMRC and MCD with respect to authority for sanction of building plans for Tis Hazari Project; and (b) non submission of certain documents by DMRC as required by the sanctioning authority for Netaji Subhash Place Project. In view of these delays, the Company has sought concessions from DMRC and has invoked Arbitration clause of the concession agreement in case of these two projects.

In case of another project, viz. Welcome Metro Mall, construction activities had to be suspended as the property development area allotted to the company was infringing the proposed line of Metro Station to be constructed by DMRC under phase III. Subsequently, the construction activities could not be restarted due to DMRC's inability to provide necessary clarification regarding FAR availability on the property development area and final approved revised layout plan from MCD.

Pending arbitration award/necessary clarifications and documents, the Company has not provided for recurring fees for the above Projects during current financial year amounting to ₹ 1,104.27 lacs and has shown the same under contingent liabilities. However, the Company has continued to carry forward the advances / costs incurred on these projects after charging for amortization / depreciation on periodical basis.

### **NOTE 41:**

The Company had entered into a Joint Development Agreement on 21 November, 2012 with Honey Builders Limited (HBL) for the purpose of joint development of a residential plotted township (Project) situated at Sohna Road, Gurgaon. The Company and HBL shall be entitled to share in the revenue as stipulated in the Agreement.

Pursuant to the Agreement, HBL has deposited with the Company a sum of ₹ 7,000.00 lacs as an interest free security deposit and has paid a sum of ₹ 3,876.15 lacs towards development of the Project which shall be refundable by the Company as per the terms of the Agreement. Further the Company has given the following undertakings to HBL:

- a. The Project will be completed within the completion schedule and construction cost shall not exceed the maximum guaranteed cost as set out in the agreement.
- b. The saleable area of the project and project revenues from sold area shall be at least the amount set out in the Agreement.
- c. In the event of construction cost overrun, the Company shall contribute such amount towards the construction cost.

### **NOTE 42:**

Trade receivables include ₹ 37,695.49 lacs (previous year ₹ 41,875.34 lacs) outstanding for a period exceeding six months. Due to recession in the industry, there have been delays in collections from customers. In view of industry practice and terms of agreement with customers, all these debts are considered good for recovery and hence no provision is considered necessary.

### **NOTE 43:**

The real estate industry is passing through recession due to slowdown in demand and is also facing lack of adequate sources of finance to fund development of its real estate projects resulting in delayed realisations from its customers and lower availability of funds to discharge its liabilities. The Company has, accordingly, witnessed delays in payment of principal and interest on its borrowings and discharge of its statutory liabilities and has outstanding balance on account of Income-tax as at year end. The Company is exploring alternative sources of finance, including sale of non-core assets to overcome this temporary liquidity shortage and accordingly does not foresee any adverse impact on its future operations.

## Notes forming part of the consolidated financial statements

### NOTE 44:

In the opinion of the Board of directors, any of the assets other than fixed assets and non-current investments do have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

### NOTE 45:

Share application money pending allotment represents amount received by a jointly controlled entity ("entity") of a subsidiary company. The shares are proposed to be allotted by the said entity at par value of ₹ 10 per share within a period of six months from the balance sheet date. The authorised share capital of the said entity is sufficient to cover the proposed allotment of shares.

### NOTE 46:

The Group is setting up various projects on Build Operate Transfer (BOT) basis, SEZs and Hotels. Costs incurred on these projects till completion of the project are reflected as Capital work-in-progress. Details of incidental expenditure incurred during construction in respect of these capital projects debited to capital work-in-progress are as under:

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
i. Salaries, wages and bonus	58.03	49.71
ii. Contribution to provident and other funds	0.53	0.40
iii. Miscellaneous expenses	176.48	268.68
iv. Legal and professional charges	169.91	86.98
v. Finance cost	6,005.85	10,617.41
vi. Licence fee	1,020.27	1,743.75
	<b>7,431.07</b>	<b>12,766.93</b>

### NOTE 47:

The holders of non-convertible debentures issued by two subsidiary companies and the board of directors of the respective subsidiary companies by way of resolutions have decided that interest on these debentures will accrue on the date on which these subsidiary companies achieve 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, these companies have not accrued any interest liability on these debentures for the year. There is no impact on the profit for the year due to such non-accrual.

### NOTE 48: DETAILS OF CONTRACT REVENUE AND COSTS

In accordance with the Accounting Standard 7 on 'Construction Contracts', details of contracts revenue and cost is as under:

Particulars	31 March, 2014	31 March, 2013
a. Contract revenue recognised during the year	129.38	1,202.17
b. Aggregate of contract costs incurred and recognised profits in respect of contracts in progress upto the year end	13,742.82	13,613.44
c. Advances received for contracts in progress	120.76	120.76
d. Retention money for contracts in progress	72.80	72.80
e. Amount due from customers for contract work	738.85	609.47

### NOTE 49: EMPLOYEE BENEFITS

In accordance with the revised Accounting Standard 15, the requisite disclosures are as follows:

#### Defined contribution plans

The Group makes Provident Fund contributions to Regional Provident Fund Commissioner (RPFC) for and Employees State Insurance Corporation (ESIC) for qualifying employees. The Group contributed a specified percentage of salary to Fund the benefits. The Group recognised ₹ 42.74 lacs (previous year ₹ 43.83 lacs) for Provident Fund and ESIC contributions in the Statement of Profit and Loss.

#### Defined benefit plan

Gratuity is a defined benefit plan covering eligible employees. The plan provides for a lump sum payment to vested employees on retirement, death with in employment or termination of employment of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of five years of service.

Disclosure as required under Accounting Standard – 15 (Revised) on "Employee Benefits" in respect of defined benefit plan is as under:

## Notes forming part of the consolidated financial statements

### i. Change in defined benefit obligations

(₹ in Lacs)

Particulars	31 March, 2014	31 March, 2013
Present value of obligations as at the beginning of the year	381.01	355.19
Interest cost	29.62	27.89
Current service cost	58.10	57.21
Benefits paid	(44.69)	(37.12)
Actuarial (gain) / loss on obligations	5.27	(22.16)
Present value of obligations as at the end of the year	<b>429.31</b>	<b>381.01</b>

**ii. The fair value of plan assets is Nil since defined benefit plans are wholly unfunded as on 31 March, 2014.**

### iii. Amounts recognised in the balance sheet

(₹ in Lacs)

Particulars	31 March, 2014	31 March, 2013
Present value of obligations as at the end of the year	429.31	381.01
Amount recognised in the balance sheet	<b>429.31</b>	<b>381.01</b>

### iv. Expenses recognised in the Statement of Profit and Loss

(₹ in Lacs)

Particulars	31 March, 2014	31 March, 2013
Current service cost	58.10	57.21
Interest cost	29.62	27.89
Actuarial (gain) / loss	5.27	(22.16)
Expenses recognized in the Statement of Profit and Loss	<b>92.99</b>	<b>62.94</b>

### v. Balance sheet reconciliation

(₹ in Lacs)

Particulars	31 March, 2014	31 March, 2013
Net liability at the beginning of the year	381.01	355.19
Expense as above	92.99	62.94
Benefits paid	(44.69)	(37.12)
Amount recognized in the balance sheet	<b>429.31</b>	<b>381.01</b>

### vi. Principal actuarial assumptions

Particulars	31 March, 2014	31 March, 2013
	(%)	(%)
<b>(a) Economic assumptions</b>		
Discount rate	8.00	8.00
Salary escalation	3.50	3.50
<b>(b) Demographic assumptions</b>		
Retirement age	60	60
Mortality table	IALM (2006-08)	IALM (1994-1996)

Ages	Withdrawal rate (%)	Withdrawal rate (%)
Upto 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimates of future salary increases considered in the actuarial valuation takes into account inflation, seniority, promotion and other relevant factors on long term basis.

### vii. Experience adjustment

(₹ in Lacs)

Particulars	31.03.14	31.03.13	31.03.12	31.03.11	31.03.10
Defined benefit obligation	429.31	381.01	355.19	329.41	227.44
Plan assets	-	-	-	-	-
Surplus / (deficit)	(429.31)	(381.01)	(355.19)	(329.41)	(227.44)
Experience adjustment on plan liabilities gain / (loss)	(5.27)	22.16	30.81	25.52	13.61

## Notes forming part of the consolidated financial statements

### viii. Actuarial assumptions for long-term compensated absences

(₹ in Lacs)

Particulars	31 March, 2014	31 March, 2013
	(%)	(%)
<b>(a) Economic assumptions</b>		
Discount rate	8.00	8.00
Salary escalation	3.50	3.50
<b>(b) Demographic assumptions</b>		
Retirement age	60	60
Mortality table	IALM (2006-08)	IALM (1994-1996)
<b>Ages</b>	<b>Withdrawal rate (%)</b>	<b>Withdrawal rate (%)</b>
Upto 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimates of future salary increases considered in the actuarial valuation takes into account inflation, seniority, promotion and other relevant factors on long term basis.

### NOTE 50: DETAILS OF BORROWING COSTS CAPITALISED DURING THE YEAR

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
Fixed assets / capital work-in-progress	6,005.85	10,617.41

### NOTE 51: SEGMENT INFORMATION:

The Group is predominantly engaged in Real Estate. Operations of the Group do not qualify for reporting as business segments as per the criteria set out under Accounting Standard 17 (AS-17) on "Segment Reporting". The Group is operating in India hence there is no reportable geographic segment. Accordingly no disclosure is required under AS-17.

### NOTE 52: LEASING ARRANGEMENTS:

The Group has entered into Concession Agreements with Delhi Metro Rail Corporation (DMRC) and has acquired the license rights to develop properties and sub license it to the customers for a defined period of time. Of the license fees of ₹ 1,774.03 lacs (Previous Year ₹ 2,461.13 Lacs) paid / payable by the Group during the year, ₹ 718.40 lacs (Previous year ₹ 717.38 Lacs) has been

charged to the Statement of Profit and Loss and ₹ 1,055.63 lacs (Previous Year ₹ 1,743.75 lacs) has been capitalised. The total of future minimum license payments / charge is as follows:

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
a. Not later than one year	4,397.00	4,135.33
b. Later than one year but not later than five years	19,151.06	16,654.34
c. Later than five years	1,84,521.90	1,89,328.25
<b>Total</b>	<b>2,08,069.96</b>	<b>2,10,117.92</b>

Upfront fee paid by the Group has not been considered as lease charges.

The Group has recognised lease charges of ₹ 463.00 lacs (previous year ₹ 585.52 lacs) in respect of other cancellable leases in the statement of Profit and Loss.

### NOTE 53: OPERATING LEASES:

a. Assets given on lease \*

(₹ in Lacs)

Class of assets	Gross block as on 31 March, 2014	Depreciation for the year 2013-14	Accumulated depreciation till 31 March, 2014
<b>Fixed assets – tangible</b>			
Building	11,810.81	673.90	2,926.02

\*Includes partly self-occupied properties.

b. The Company has given certain buildings and facilities under non-cancellable operating leases. The future minimum lease payments in respect of these leases as at 31 March, 2014 are:

(₹ in Lacs)

Particulars	As at 31 March, 2014	As at 31 March, 2013
<b>Minimum lease payments receivable</b>		
i. Not later than one year	780.87	839.95
ii. Later than one year but not later than five years	2,337.90	2,527.67
iii. Later than five years	14,198.56	14,792.69
<b>Total</b>	<b>17,317.33</b>	<b>18,160.31</b>
<b>Licence income recognised in the Statement of Profit and Loss</b>	<b>1,875.70</b>	<b>1,741.90</b>

## Notes forming part of the consolidated financial statements

### NOTE 54: EARNINGS PER SHARE

The earnings considered in ascertaining the group's EPS comprises the profit available for shareholders (i.e. profit after tax and statutory / regulatory appropriations). The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

(₹ in Lacs)

Particulars	Unit	Year ended 31 March, 2014	Year ended 31 March, 2013
Net profit attributable to shareholders	₹ in Lacs	1,622.72	7,124.47
Weighted average number of equity shares outstanding during the year	No. in Lacs	4,351.81	4,351.81
Basic and diluted earnings per share	₹	0.37	1.64
Nominal value of equity shares	₹	5.00	5.00

### NOTE 55: JOINT VENTURE

Details of the Company's share in joint ventures included in the Consolidated Financial Statements are as under:

(₹ in Lacs)

Particulars	Year ended 31 March, 2014	Year ended 31 March, 2013
Assets	382.66	332.34
Liabilities	13.90	1.12
Income	-	7.21
Expenditure	0.40	16.86
Tax	-	-0.99

Note: The Group's share of assets, liabilities, income and expenditure has been included on the basis of financial information of one (previous year three) audited joint venture and one (previous year Nil) unaudited joint venture.

### NOTE 56: RELATED PARTY TRANSACTIONS

#### a. List of related parties

#### i. Entities over which Company, subsidiary Companies or key management personnel or their relatives, exercise significant influence

- Aahna Realtors Private Limited
- Adela Buildcon Private Limited
- Afra Infrastructure Private Limited
- Ajit Board Private Limited
- Amazon India Limited
- Arunachal Infrastructure Private Limited
- Ashirwad Realtors Private Limited
- Bae Buildwell Private Limited
- Baidehi Infrastructure Private Limited
- Balbina Real Estates Private Limited
- Banita Buildcon Private Limited
- Bliss Infrastructure Private Limited
- Brinly Properties Private Limited
- Charushila Buildwell Private Limited
- Congenial Real Estates Private Limited
- Coral Buildwell Private Limited
- Cyanea Real Estate Private Limited
- Dae Realtors Private Limited
- Dai Real Estates Private Limited
- Deborah Real Estate Private Limited
- Deleena Developers Private Limited
- Dhiren Real Estates Private Limited
- Elixir Infrastructure Private Limited
- Enormity Buildcon Private Limited
- Farhad Realtors Private Limited
- Gauranga Realtors Private Limited
- Gauresh Buildwell Private Limited
- Gem Buildwell Private Limited
- Generous Buildwell Private Limited
- Himsagar Infrastructure Private Limited
- Homelife Real Estate Private Limited
- Izna Realcon Private Limited
- Jaguar Buildwell Private Limited
- Janak Finance & Leasing Private Limited
- Jodhpur Infrastructure Private Limited
- K.B.Realtors Private Limited
- Kalyani Pulp Private Limited
- Laban Real Estates Private Limited
- Label Real Estates Private Limited
- Lakshya Realtors Private Limited.
- Landmark Malls and Towers Private Limited
- Landmark Township Planners Private Limited
- LSD Realcon Private Limited
- Madhukanta Real Estate Private Limited
- Magic Promoters Private Limited
- Mahanidhi Buildcon Private Limited
- Mirage Buildwell Private Limited
- Nanocity Haryana Infrastructure Limited \*
- Navneet Realtors Private Limited
- Neha Infracon (India) Private Limited
- New Hind Enterprises Private Limited
- Nilanchal Realtors Private Limited
- Noida Marketing Private Limited
- Oni Projects Private Limited
- P.S. Realtors Private Limited
- Paavan Buildcon Private Limited
- Panchvati Buildwell Private Limited
- Parsnath And Associates Private Limited
- Parsvnath Dehradun Info Park Private Limited
- Parsvnath Indore Info Park Private Limited
- Parsvnath Gurgaon Info Park Private Limited
- Parsvnath Realty Ventures Limited
- Parasnath Travels & Tours Private Limited
- Parsvnath Biotech Private Limited

## Notes forming part of the consolidated financial statements

- Parsvnath Knowledge Park Private Limited
- Parsvnath Cyber City Private Limited
- Palakkad Infrastructure Private Limited
- Parsvnath Retail Limited #
- Parikrama Infrastructure Private Limited
- Pearl Propmart Private Limited
- Perpetual Infrastructure Private Limited
- Pradeep kumar Jain & Sons (HUF)
- Prasadhi Developers Private Limited
- Prastut Real Estate Private Limited
- Prosperity Infrastructures Private Limited
- Rangoli Buildcon Private Limited
- Rangoli Infrastructure Private Limited
- Sadgati Buildcon Private Limited
- Samiksha Realtors Private Limited
- Sapphire Buildtech Private Limited
- Silversteet Infrastructure Private Limited
- Snigdha Buildwell Private Limited
- Springdale Realtors Private Limited
- Stupendous Buildtech Private Limited
- Suksma Buildtech Private Limited
- Sumeru Developers Private Limited
- Sureshwar Properties Private Limited \*
- Timebound Contracts Private Limited
- Vardaan Buildtech Private Limited
- Vinu Promoters Private Limited \*
- Parsvnath Developers (GMBT) Private Limited
- Parsvnath Developers (SBBT) Private Limited
- Jarul Promoters & Developers Private Limited
- Baasima Buildcon Private Limited
- Vital Buildwell Private Limited

- \* Ceased to be a related party during the year
- # Became Associate during Year

### ii. Joint ventures

Joint ventures of the Company

- Ratan Parsvnath Developers AOP
- Joint ventures of a subsidiary Company
- Palakkad Infrastructure Private Limited

### iii. Entities which can exercise significant influence over the Company or its subsidiaries/joint ventures-

- Anuradha SA Investments LLC, Mauritius (ASA)
- Anuradha Ventures Limited, Cyprus (AVL)
- City Centre Monuments
- Green Destination Holding Limited (GDHL)
- Crimsonstar Ventures Limited, Cyprus
- Banrod Investments Limited, Cyprus

### iv. Key management personnel

- Mr. Pradeep Kumar Jain, Chairman
- Mr. Sanjeev Kumar Jain, Managing Director & CEO
- Dr. Rajeev Jain, Whole-time Director
- Mr. S P Aggarwal

### v. Relatives of key management personnel (with whom the Company had transactions)

- Mrs. Nutan Jain (Wife of Mr. Pradeep Kumar Jain, Chairman)

### b. Transactions / balances outstanding with related parties:

(₹ in Lacs)

Transaction / Outstanding Balances	Entities under significant influence	Joint Venture entities	Key Management Personnel and their relative	Entities exercise significant influence	Total
<b>I. Transactions during the year:</b>					
<b>Rent received</b>					
Nanocity Haryana Infrastructure Limited	- (17.07)	- (-)	- (-)	- (-)	- (17.07)
<b>Interest expenses on debentures</b>					
Anuradha Ventures Limited, Cyprus	- (-)	- (-)	- (-)	1,516.92 (1,986.40)	1,516.92 (1,986.40)
Banrod Investments Limited	- (-)	- (-)	- (-)	1,157.50 (1,158.85)	1,157.50 (1,158.85)
	- (-)	- (-)	- (-)	<b>2,674.42</b> <b>(3,145.25)</b>	<b>2,674.42</b> <b>(3,145.25)</b>
<b>Interest expenses on debentures (capitalised)</b>					
City Centre Monuments	- (-)	- (-)	- (-)	- (2,474.75)	- (2,474.75)
<b>Unsecured loan received</b>					
Pradeep Kumar Jain	- (-)	- (-)	1,101.36 (3,278.81)	- (-)	1,101.36 (3,278.81)

## Notes forming part of the consolidated financial statements

(₹ in Lacs)

Transaction / Outstanding Balances	Entities under significant influence	Joint Venture entities	Key Management Personnel and their relative	Entities exercise significant influence	Total
Pradeep Kumar Jain & Sons (HUF)	226.17 (273.12)	- (-)	- (-)	- (-)	226.17 (273.12)
Parasnath And Associates Private Limited	1,341.39 (2,506.77)	- (-)	- (-)	- (-)	1,341.39 (2,506.77)
	<b>1,567.56</b> <b>(2,779.89)</b>	- (-)	<b>1,101.36</b> <b>(3,278.81)</b>	- (-)	<b>2,668.92</b> <b>(6,058.70)</b>
<b>Unsecured loan repaid</b>					
Pradeep Kumar Jain	- (-)	- (-)	1,187.06 (3,247.08)	- (-)	1,187.06 (3,247.08)
Pradeep Kumar Jain & Sons (HUF)	191.80 (311.99)	- (-)	- (-)	- (-)	191.80 (311.99)
Parasnath And Associates Private Limited	1,442.08 (2,542.18)	- (-)	- (-)	- (-)	1,442.08 (2,542.18)
	<b>1,633.88</b> <b>(2,854.17)</b>	- (-)	<b>1,187.06</b> <b>(3,247.08)</b>	- (-)	<b>2,820.94</b> <b>(6,101.25)</b>
<b>Advance received back during the year</b>					
Noida Marketing Private Limited	- (6.34)	- (-)	- (-)	- (-)	- (6.34)
Associates (each having less than 10% of transactions)	821.93 (-)	- (-)	- (-)	- (-)	821.93 (-)
	<b>821.93</b> <b>(6.34)</b>	- (-)	- (-)	- (-)	<b>821.93</b> <b>(6.34)</b>
<b>Advances given</b>					
Palakkad Infrastructure Private Limited	- (-)	<b>1.87</b> <b>(-)</b>	- (-)	- (-)	<b>1.87</b> <b>(-)</b>
<b>Advances repaid</b>					
Nilanchal Realtors Private limited	- (16.32)	- (-)	- (-)	- (-)	- (16.32)
K B Realtors Private limited	- (21.00)	- (-)	- (-)	- (-)	- (21.00)
Landmark Malls And Towers Private Limited	- (132.40)	- (-)	- (-)	- (-)	- (132.40)
Landmark Township Planners Private limited	- (64.86)	- (-)	- (-)	- (-)	- (64.86)
Laban Real Estates private Limited	- (46.74)	- (-)	- (-)	- (-)	- (46.74)
P S Relators private Limited	- (18.68)	- (-)	- (-)	- (-)	- (18.68)
Amazon India Limited	- (29.77)	- (-)	- (-)	- (-)	- (29.77)
Timebound Contracts Private Limited	13.10 (-)	- (-)	- (-)	- (-)	13.10 (-)
	<b>13.10</b> <b>(329.77)</b>	- (-)	- (-)	- (-)	<b>13.10</b> <b>(329.77)</b>
<b>Interest paid</b>					
Parasnath And Associates Private Limited	20.43 (29.43)	- (-)	- (-)	- (-)	20.43 (29.43)
Pradeep Kumar Jain	- (-)	- (-)	5.27 (64.15)	- (-)	5.27 (64.15)

## Notes forming part of the consolidated financial statements

(₹ in Lacs)

Transaction / Outstanding Balances	Entities under significant influence	Joint Venture entities	Key Management Personnel and their relative	Entities exercise significant influence	Total
Pradeep Kumar Jain & Sons (HUF)	1.82 (7.27)	- (-)	- (-)	- (-)	1.82 (7.27)
	<b>22.25</b> <b>(36.70)</b>	- (-)	<b>5.27</b> <b>(64.15)</b>	- (-)	<b>27.52</b> <b>(100.85)</b>
<b>Buy back of shares (including premium)</b>					
Anuradha SA Investments LLC, Mauritius	- (-)	- (-)	- (-)	<b>805.00</b> (-)	<b>805.00</b> (-)
<b>Rent paid</b>					
Pradeep Kumar Jain	- (-)	- (-)	5.76 (4.03)	- (-)	5.76 (4.03)
Nutan Jain	- (-)	- (-)	35.87 (34.20)	- (-)	35.87 (34.20)
Pradeep Kumar Jain & Sons (HUF)	6.53 (5.83)	- (-)	- (-)	- (-)	6.53 (5.83)
	<b>6.53</b> <b>(5.83)</b>	- (-)	<b>41.63</b> <b>(38.23)</b>	- (-)	<b>48.16</b> <b>(44.06)</b>
<b>Reimbursement of expenses (Paid)</b>					
Home Life Real Estate Private Limited	<b>0.31</b> <b>(0.31)</b>	- (-)	- (-)	- (-)	<b>0.31</b> <b>(0.31)</b>
<b>Purchase of development rights</b>					
Silver Street Infra Private Limited	982.41 (-)	- (-)	- (-)	- (-)	982.41 (-)
Ashirwad Realtors Private Limited	467.84 (-)	- (-)	- (-)	- (-)	467.84 (-)
Dhiren Realestate Private Limited	214.53 (-)	- (-)	- (-)	- (-)	214.53 (-)
Associates (each having less than 10% of transactions)	485.66 (-)	- (-)	- (-)	- (-)	485.66 (-)
	<b>2,150.44</b> <b>(-)</b>	- (-)	- (-)	- (-)	<b>2,150.44</b> <b>(-)</b>
<b>Purchase of investments / shares</b>					
Anuradha SA Investment LLC, Mauritius	- (-)	- (-)	- (-)	2,754.90 (-)	2,754.90 (-)
Parasnath And Associates Private Limited	- (-)	- (2.50)	- (-)	- (-)	- (2.50)
	- (-)	- <b>(2.50)</b>	- (-)	<b>2,754.90</b> (-)	<b>2,754.90</b> <b>(2.50)</b>
<b>Purchase of debentures</b>					
Anuradha Venture Limited	- (-)	- (-)	- (-)	<b>669.27</b> (-)	<b>669.27</b> (-)
<b>Advance paid for purchase of land / properties</b>					
Parasnath And Associates Private Limited	3,068.50 (-)	- (-)	- (-)	- (-)	3,068.50 (-)
Sureshwar Properties Private Limited	- (2,700.00)	- (-)	- (-)	- (-)	- (2,700.00)
Associates (each having less than 10% of transaction)	10.35 (776.73)	- (-)	- (-)	- (-)	10.35 (776.73)
	<b>3,078.85</b> <b>(3,476.73)</b>	- (-)	- (-)	- (-)	<b>3,078.85</b> <b>(3,476.73)</b>

## Notes forming part of the consolidated financial statements

(₹ in Lacs)

Transaction / Outstanding Balances	Entities under significant influence	Joint Venture entities	Key Management Personnel and their relative	Entities exercise significant influence	Total
<b>Refund of security deposit received</b>					
Nanocity Haryana Infrastructure Limited	- (-)	- (17.07)	- (-)	- (-)	- (17.07)
<b>Managerial remuneration</b>					
Pradeep Kumar Jain	- (-)	- (-)	360.79 (360.79)	- (-)	360.79 (360.79)
Sanjeev Kumar Jain	- (-)	- (-)	132.40 (132.40)	- (-)	132.40 (132.40)
Dr. Rajeev Jain	- (-)	- (-)	96.40 (96.40)	- (-)	96.40 (96.40)
S.P. Aggarwal	- (-)	- (-)	38.78 (38.78)	- (-)	38.78 (38.78)
	- (-)	- (-)	<b>628.37</b> <b>(628.37)</b>	- (-)	<b>628.37</b> <b>(628.37)</b>
<b>Share of profit / (loss) from associates</b>					
Amazon India Limited	- (0.01)	- (-)	- (-)	- (-)	- (0.01)
Vardaan Buildtech Private Limited	- (0.02)	- (-)	- (-)	- (-)	- (0.02)
Home Life Real Estate Private Limited	1.95 (1.95)	- (-)	- (-)	- (-)	1.95 (1.95)
Nanocity Haryana Infrastructure Limited	(0.15) (0.04)	- (-)	- (-)	- (-)	(0.15) (0.04)
	<b>1.80</b> <b>(2.02)</b>	- (-)	- (-)	- (-)	<b>1.80</b> <b>(2.02)</b>
<b>II. Balances at year end</b>					
<b>Advances for land purchase / properties</b>					
Parasnath And Associates Private Limited	3,068.50 (-)	- (-)	- (-)	- (-)	3,068.50 (-)
Brinly Properties Private Limited	1,991.00 (-)	- (-)	- (-)	- (-)	1,991.00 (-)
Generous Buildwell Private Limited	1,937.95 (-)	- (-)	- (-)	- (-)	1,937.95 (-)
Sureshwar Properties Private Limited	- (2,700.00)	- (-)	- (-)	- (-)	- (2,700.00)
Associates (each having less than 10% of balance outstanding)	11,551.12 (18,456.56)	- (-)	- (-)	- (-)	11,551.12 (18,456.56)
	<b>18,548.57</b> <b>(21,156.56)</b>	- (-)	- (-)	- (-)	<b>18,548.57</b> <b>(21,156.56)</b>
<b>Short-term / long-term loans and advances</b>					
Palakkad Infrastructure Private Limited	- (-)	<b>1.87</b> (-)	- (-)	- (-)	<b>1.87</b> (-)
<b>Advance for investment</b>					
Palakkad Infrastructure Private Limited	- (-)	<b>4.00</b> (4.00)	- (-)	- (-)	<b>4.00</b> (4.00)
<b>Security deposits (assets)</b>					
Nutan Jain	- (-)	- (-)	<b>11.36</b> (11.36)	- (-)	<b>11.36</b> (11.36)
<b>Trade/ other payables</b>					
Pradeep Kumar Jain (HUF)	0.91 (0.42)	- (-)	- (-)	- (-)	0.91 (0.42)

## Notes forming part of the consolidated financial statements

(₹ in Lacs)

Transaction / Outstanding Balances	Entities under significant influence	Joint Venture entities	Key Management Personnel and their relative	Entities exercise significant influence	Total
Nutan Jain	-	-	2.72	-	2.72
	(-)	(-)	(2.55)	(-)	(2.55)
Pradeep Jain	-	-	0.26	-	0.26
	(-)	(-)	(0.26)	(-)	(0.26)
Timebound Contracts Private Limited	125.34	-	-	-	125.34
	(138.44)	(-)	(-)	(-)	(138.44)
Associates (each having less than 10% of balance outstanding)	16.43	-	-	-	16.43
	(13.12)	(-)	(-)	(-)	(13.12)
	<b>142.68</b>	-	<b>2.98</b>	-	<b>145.66</b>
	<b>(151.98)</b>	<b>(-)</b>	<b>(2.81)</b>	<b>(-)</b>	<b>(154.79)</b>
<b>Unsecured loans</b>					
Pradeep Kumar Jain	-	-	2.86	-	2.86
	(-)	(-)	(105.23)	(-)	(105.23)
Pradeep Kumar Jain & Sons (HUF)	39.86	-	-	-	39.86
	(5.44)	(-)	(-)	(-)	(5.44)
Parasnath and Associates Private Limited	-	-	-	-	-
	(102.11)	(-)	(-)	(-)	(102.11)
	<b>39.86</b>	-	<b>2.86</b>	-	<b>42.72</b>
	<b>(107.55)</b>	<b>(-)</b>	<b>(105.23)</b>	<b>(-)</b>	<b>(212.78)</b>
<b>Interest payable</b>					
Pradeep Kumar Jain	-	-	4.74	-	4.74
	(-)	(-)	(1.23)	(-)	(1.23)
Pradeep Kumar Jain & Sons (HUF)	1.63	-	-	-	1.63
	(1.67)	(-)	(-)	(-)	(1.67)
Parasnath and Associates Private Limited	18.37	-	-	-	18.37
	(3.96)	(-)	(-)	(-)	(3.96)
	<b>20.00</b>	-	<b>4.74</b>	-	<b>24.74</b>
	<b>(5.63)</b>	<b>(-)</b>	<b>(1.23)</b>	<b>(-)</b>	<b>(6.86)</b>
<b>Interest accrued and due on debentures</b>					
Anuradha Ventures Limited, Cyprus	-	-	-	1,108.53	1,108.53
	(-)	(-)	(-)	(-)	(-)
Banrod Investments Limited	-	-	-	472.14	472.14
	(-)	(-)	(-)	(-)	(-)
	-	-	-	<b>1,580.67</b>	<b>1,580.67</b>
	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>
<b>Interest accrued but not due on debentures</b>					
Banrod Investments Limited	-	-	-	199.47	199.47
	(-)	(-)	(-)	(256.84)	(256.84)
Anuradha Ventures Limited, Cyprus	-	-	-	-	-
	(-)	(-)	(-)	(103.68)	(103.68)
City Centre Monuments	-	-	-	4,596.12	4,596.12
	(-)	(-)	(-)	(4,596.12)	(4,596.12)
Crimsonstar Ventures Limited	-	-	-	7.15	7.15
	(-)	(-)	(-)	(7.15)	(7.15)
	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>4,802.74</b>	<b>4,802.74</b>
	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(4,963.79)</b>	<b>(4,963.79)</b>
<b>Security deposit (liability)</b>					
Nanocity Haryana Infrastructure Limited	-	-	-	-	-
	<b>(27.39)</b>	<b>(-)</b>	<b>(-)</b>	<b>(-)</b>	<b>(27.39)</b>

## Notes forming part of the consolidated financial statements

(₹ in Lacs)

Transaction / Outstanding Balances	Entities under significant influence	Joint Venture entities	Key Management Personnel and their relative	Entities exercise significant influence	Total
<b>Investments held</b>					
Amazon India Limited	253.33 (253.33)	- (-)	- (-)	- (-)	253.33 (253.33)
Home Life Real Estate Private Limited	99.82 (97.87)	- (-)	- (-)	- (-)	99.82 (97.87)
Vardaan Buildtech Private Limited	4.77 (4.77)	- (-)	- (-)	- (-)	4.77 (4.77)
Nanocity Haryana Infrastructure Limited	- (1,343.51)	- (-)	- (-)	- (-)	- (1,343.51)
	<b>357.92</b> <b>(1,699.48)</b>	- (-)	- (-)	- (-)	<b>357.92</b> <b>(1,699.48)</b>
<b>Corporate guarantee others</b>					
Home Life Real Estate Private Limited	<b>15.06</b> <b>(15.06)</b>	- (-)	- (-)	- (-)	<b>15.06</b> <b>(15.06)</b>
<b>Guarantee for loans</b>					
Chairman and Whole-time Directors	- (-)	- (-)	<b>168,207.44</b> <b>(137,140.72)</b>	- (-)	<b>168,207.44</b> <b>(137,140.72)</b>
<b>Borrowings</b>					
Anuradha Venture Limited	- (-)	- (-)	- (-)	8,751.00 (13,251.00)	8,751.00 (13,251.00)
Crimsonstar Ventures Limited	- (-)	- (-)	- (-)	18,133.39 (18,133.39)	18,133.39 (18,133.39)
City Centre Monuments	- (-)	- (-)	- (-)	15,417.50 (15,417.50)	15,417.50 (15,417.50)
Banrod Investments Limited	- (-)	- (-)	- (-)	7,578.26 (7,578.26)	7,578.26 (7,578.26)
	- (-)	- (-)	- (-)	<b>49,880.15</b> <b>(54,380.15)</b>	<b>49,880.15</b> <b>(54,380.15)</b>

### NOTE 57:

Figures relating to subsidiaries and joint ventures have been regrouped / reclassified wherever considered necessary to bring them in line with the Company's financial statements.

### NOTE 58: PREVIOUS YEAR'S FIGURES

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/ disclosure.

For and on behalf of the Board of Directors

Sd/-  
**PRADEEP KUMAR JAIN**  
Chairman

Sd/-  
**SANJEEV KUMAR JAIN**  
Managing Director & CEO

Sd/-  
**R. J. KAMATH**  
Director

Sd/-  
**M.C. JAIN**  
Group Chief Financial Officer

Sd/-  
**V. MOHAN**  
Company Secretary

Place: New Delhi  
Date: 28 May, 2014

Statement pursuant to Section 212 of the Companies Act, 1956 relating to subsidiary companies as on March 31, 2014

Sr. No.	Name of the Subsidiary Company	Financial Year of the subsidiary ended on	Shares of subsidiary company held by the Company directly or through its nominees on March 31, 2014		Extent of holding (%)	Net aggregate amount of profit/ (loss) of the subsidiary for the financial year of the subsidiary so far as they concern members of the Company.		Net aggregate amount of profits / (losses) for previous financial years of the subsidiary since it became a subsidiary so far as they concern members of the Company.	
			Number of Shares	Face Value of each Share		Dealt with in the accounts of the Company for the year ended March 31, 2014	Not dealt with in the accounts of the Company for the year ended March 31, 2014	Dealt with in the accounts of the Company for the year ended March 31, 2013	Not Dealt with in the accounts of the Company for the year ended March 31, 2013
1	Parsvnath Infra Limited	31.03.2014	2,60,49,400	₹ 10/-	94.87%	Nil	(27.89)	Nil	(31.43)
2	Parsvnath Film City Limited	31.03.2014	17,50,000	₹ 10/-	100.00%	Nil	(1.88)	Nil	(5.60)
3	Parsvnath Landmark Developers Private Limited	31.03.2014	25,60,000	₹ 10/-	78.00%	Nil	(102.27)	Nil	128.67
4	Parsvnath Telecom Private Limited	31.03.2014	10,30,000	₹ 10/-	100.00%	Nil	(0.13)	Nil	(0.12)
5	Parsvnath Hotels Limited	31.03.2014	54,00,000	₹ 10/-	100.00%	Nil	(63.50)	Nil	(427.11)
6	Parsvnath Developers Pte. Limited (Refer note 1)	31.03.2014	4,56,920	SGD 1/-	53.32%	Nil	(3.87)	Nil	105.02
7	PDL Assets Limited	31.03.2014	60,000	₹ 10/-	100.00%	Nil	(0.10)	Nil	(0.11)
8	Primetrime Realtors Private Limited	31.03.2014	10,000	₹ 10/-	100.00%	Nil	(0.42)	Nil	(0.47)
9	Parsvnath Estate Developers Private Limited	31.03.2014	37,75,000	₹ 10/-	75.50%	Nil	(198.22)	Nil	(50.47)
10	Parsvnath Promoters And Developers Private Limited	31.03.2014	1,69,326	₹ 10/-	51.00%	Nil	(11.17)	Nil	(8.54)
11	Parsvnath Hospitality Holdings Limited (Refer note 1 & 2)	31.03.2014	1,000	SGD 0.10/-	100.00%	Nil	(0.75)	Nil	4.65
12	Parsvnath MIDC Pharma SEZ Private Limited (Refer note 3)	31.03.2014	49,90,000	₹ 10/-	100.00%	Nil	(0.11)	Nil	(0.11)
13	Parsvnath HB Projects Private Limited	31.03.2014	25,000	₹ 10/-	51.00%	Nil	(22.18)	Nil	(19.86)
14	Parsvnath Hessa Developers Private Limited	31.03.2014	49,60,040	₹ 10/-	100.00%	Nil	35.38	-	-
15	Parsvnath Buildwell Private Limited	31.03.2014	10,75,170	₹ 10/-	64.18%	Nil	115.13	-	-
16	Parsvnath Realcon Private Limited (Refer note 4)	31.03.2014	10,000	₹ 10/-	100.00%	Nil	(16.30)	-	-

**Notes:**

- Overseas subsidiary/Step down subsidiary, incorporated in Singapore (Exchange Rate as on 31.03.2014 : 1 SGD = ₹ 47.45)
- Subsidiary in terms of Section 4(1)(c) of the Companies Act, 1956, since 100% of the equity capital is held by Parsvnath Developers Pte Ltd, an overseas subsidiary of Parsvnath Developers Limited.
- Subsidiary in terms of Section 4(1)(c) of the Companies Act, 1956, since 100% of the equity capital is held by Parsvnath Infra Limited, a subsidiary of Parsvnath Developers Limited.
- Subsidiary in terms of Section 4(1)(c) of the Companies Act, 1956, since 100% of the equity capital is held by Parsvnath Buildwell Private Limited, a subsidiary of Parsvnath Developers Limited.

For and on behalf of the Board of Directors

Sd/-  
**PRADEEP KUMAR JAIN**  
Chairman

Sd/-  
**SANJEEV KUMAR JAIN**  
Managing Director & CEO

Sd/-  
**R.J. KAMATH**  
Director

Sd/-  
**M.C. JAIN**  
Group Chief Financial Officer

Sd/-  
**V. MOHAN**  
Company Secretary

Place: New Delhi  
Date: 28 May, 2014

Summarised Financial Statement of Subsidiary Companies as on & for the year ended on March 31, 2014

Sr. No.	Name of the Subsidiary Company	Share Capital	Reserves & Surplus (adjusted for debit balance in Profit & Loss Account, wherever applicable)	Total Assets (Fixed Assets + Investments + Current assets)	Total Liabilities (Loans + Current Laibilities)	Investments (other than investment in subsidiaries)	Turnover (including Other Income)	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed Dividend
1	Parsvnath Infra Limited	2,745.77	3,681.92	6,559.22	131.53	-	0.11	(29.40)	-	(29.40)	-
2	Parsvnath Film City Limited	175.00	(172.85)	4,826.15	4,824.00	-	-	(1.88)	-	(1.88)	-
3	Parsvnath Landmark Developers Private Limited	328.21	13,848.81	29,931.13	15,754.11	-	6,717.18	(151.70)	(20.59)	(131.11)	-
4	Parsvnath Telecom Private Limited	103.00	(102.45)	0.67	0.12	-	-	(0.13)	-	(0.13)	-
5	Parsvnath Hotels Limited	540.00	160.57	2,442.99	1,742.42	-	364.48	(63.50)	-	(63.50)	-
6	Parsvnath Developers Pte. Limited (Refer Note 2)	356.77	366.35	725.40	2.28	-	-	(7.25)	-	(7.25)	-
7	PDL Assets Limited	6.00	(5.94)	0.18	0.12	-	-	(0.10)	-	(0.10)	-
8	Primetime Realtors Private Limited	1.00	1.80	3.08	0.28	-	-	(0.42)	-	(0.42)	-
9	Parsvnath Estate Developers Private Limited	500.00	(394.51)	47,053.58	46,948.09	-	0.55	(262.55)	-	(262.55)	-
10	Parsvnath Promoters And Developers Private Limited	33.20	3,143.30	35,054.77	31,878.28	-	0.52	(21.90)	-	(21.90)	-
11	Parsvnath Hospitality Holdings Limited (Refer note 2 & 3)	0.03	(20.63)	-	20.60	-	-	(1.41)	-	(1.41)	-
12	Parsvnath MIDC Pharma SEZ Private Limited (Refer note 4)	499.00	(7.20)	1,322.97	831.16	-	-	(0.12)	-	(0.12)	-
13	Parsvnath HB Projects Private Limited	4.90	(82.44)	11,456.17	11,533.71	-	(135.05)	(62.93)	(19.44)	(43.50)	-
14	Parsvnath Hessa Developers Private Limited	496.00	9,254.70	15,227.23	5,476.53	-	3,136.44	54.38	19.00	35.38	-
15	Parsvnath Buildwell Private Limited	603.27	10,389.75	24,481.58	13,488.57	-	3,953.01	273.39	94.00	179.39	-
16	Parsvnath Realcon Private Limited (Refer note 5)	1.00	326.57	5,498.00	5,170.43	-	691.68	(37.59)	(12.20)	(25.39)	-

**Notes :**

- The Annual Accounts of the subsidiary companies and the related detailed information shall be made available to the members of the holding and subsidiary companies seeking such information at any point of time. The annual accounts of the subsidiary companies shall also be kept open for inspection by any shareholder at the registered office of the company and that of the respective subsidiary companies between 11 a.m. and 1 p.m. on all working days.
- Overseas subsidiary/step down subsidiary incorporated in Singapore/Exchange Rate as on 31.03.2014: 1 SGD = Rs. 47.45)
- Subsidiary in terms of Section 4(1)(c) of the Companies Act, 1956, since 100% of the equity capital is held by Parsvnath Developers Pte. Limited, an overseas subsidiary of Parsvnath Developers Limited.
- Subsidiary in terms of Section 4(1)(c) of the Companies Act, 1956, since 100% of the equity capital is held by Parsvnath Infra Limited, a subsidiary of Parsvnath Developers Limited.
- Subsidiary in terms of Section 4(1)(c) of the Companies Act, 1956, since 100% of the equity capital is held by Parsvnath Buildwell Private Limited, a subsidiary of Parsvnath Developers Limited.

For and on behalf of the Board of Directors

Sd/-  
**PRADEEP KUMAR JAIN**  
Chairman

Sd/-  
**SANJEEV KUMAR JAIN**  
Managing Director & CEO

Sd/-  
**R. J. KAMATH**  
Director

Sd/-  
**M. C. JAIN**  
Group Chief Financial Officer

Sd/-  
**V. MOHAN**  
Company Secretary

Place: New Delhi  
Date: 28 May, 2014



**Parsvnath**  
committed to build a better world

[www.parsvnath.com](http://www.parsvnath.com)

**WYATT**  
COMMUNICATIONS  
(info@wyatt.co.in)