

# S. S. KOTHARI & CO.

CHARTERED ACCOUNTANTS

S. S. KOTHARI B.Com., C.T.A. (LOND), F.C.A. R. N. BARDHAN B.Com., F.C.A.  
R. K. ROYCHOUDHURY B.Sc., B.Com., F.C.A. A. DATTA B.Com., F.C.A.  
T. K. SENGUPTA B.Com. LL.B., F.C.A. P. K. BHATTACHARYA B.Com., F.C.A.

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KOLKATA - 700 001

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## INDEPENDENT AUDITORS' REPORT

### To the Members of Border Transport Infrastructure Development Limited

#### Report on the Financial Statements

We have audited the accompanying Financial Statements of **Border Transport Infrastructure Development Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

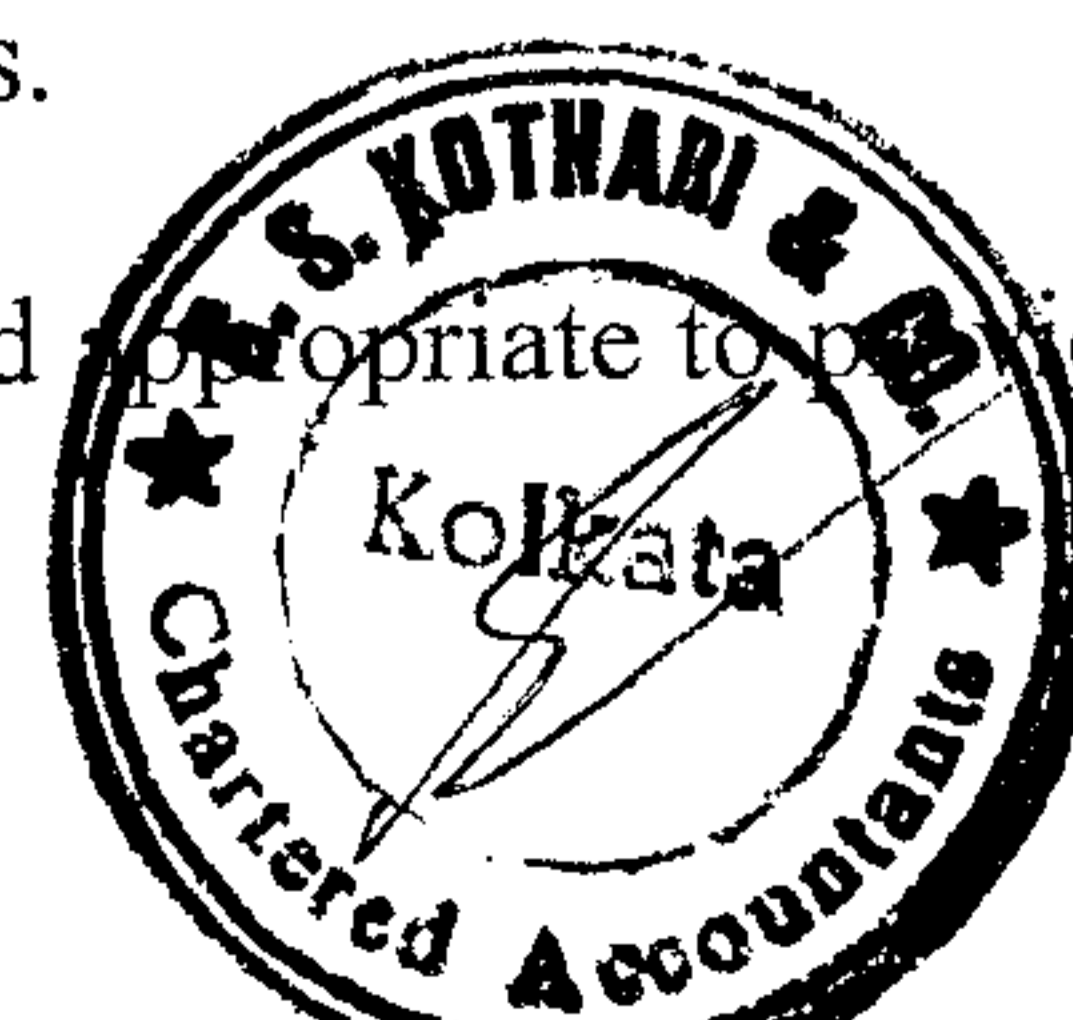
Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. 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.

#### *Auditor's 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 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 entity's internal control. An audit also includes evaluating the appropriateness of 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**

In our opinion and to the best of our information and according to the explanations given to us, the 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:

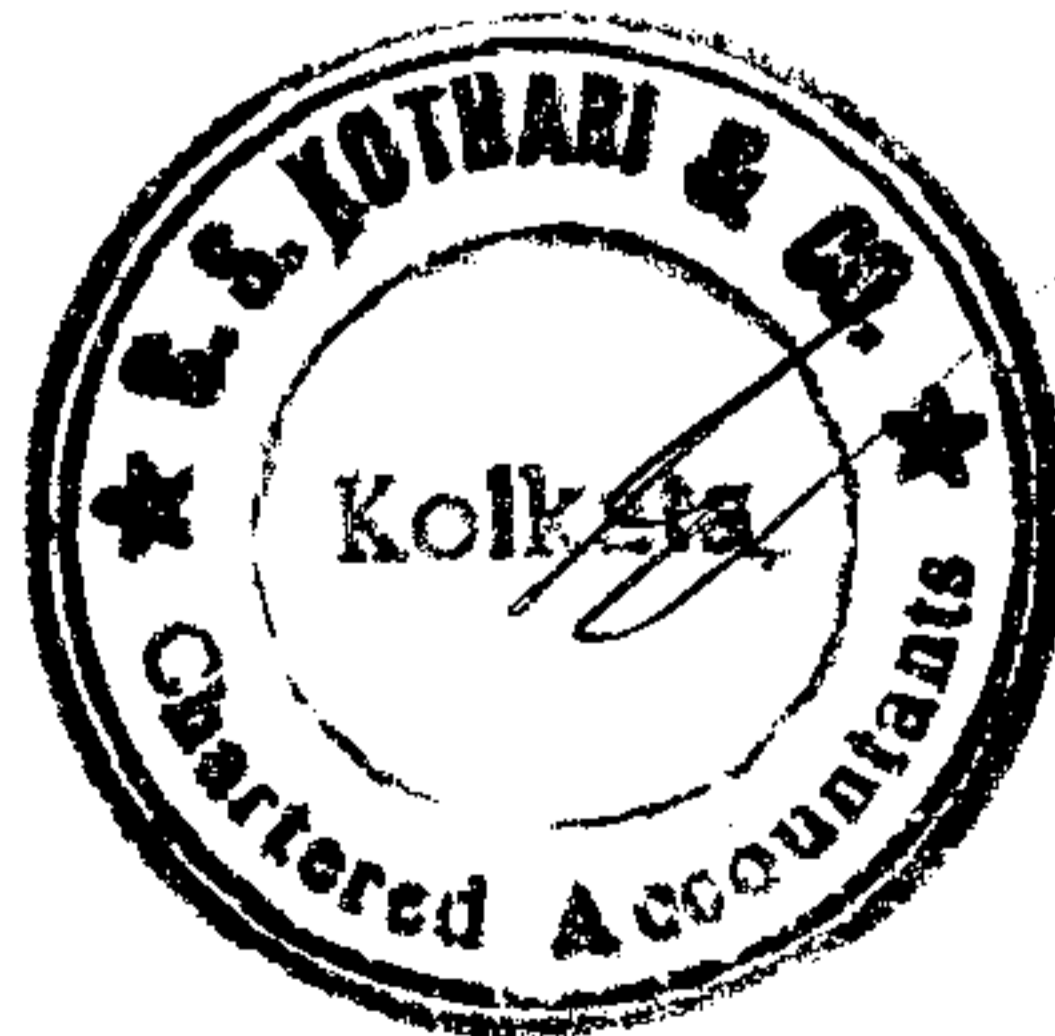
- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014; and
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date.
- (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

## **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 of India in terms of sub-section (4A) of section 227 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 purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and
  - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Centre Point  
21, Old Court House Street,  
Kolkata – 700 001  
The 23<sup>rd</sup> day of May, 2014

For S. S. KOTHARI & CO.  
Chartered Accountants  
Firm Registration No: 302034E



(R.N. Bardhan)  
Partner  
Membership No: 017270

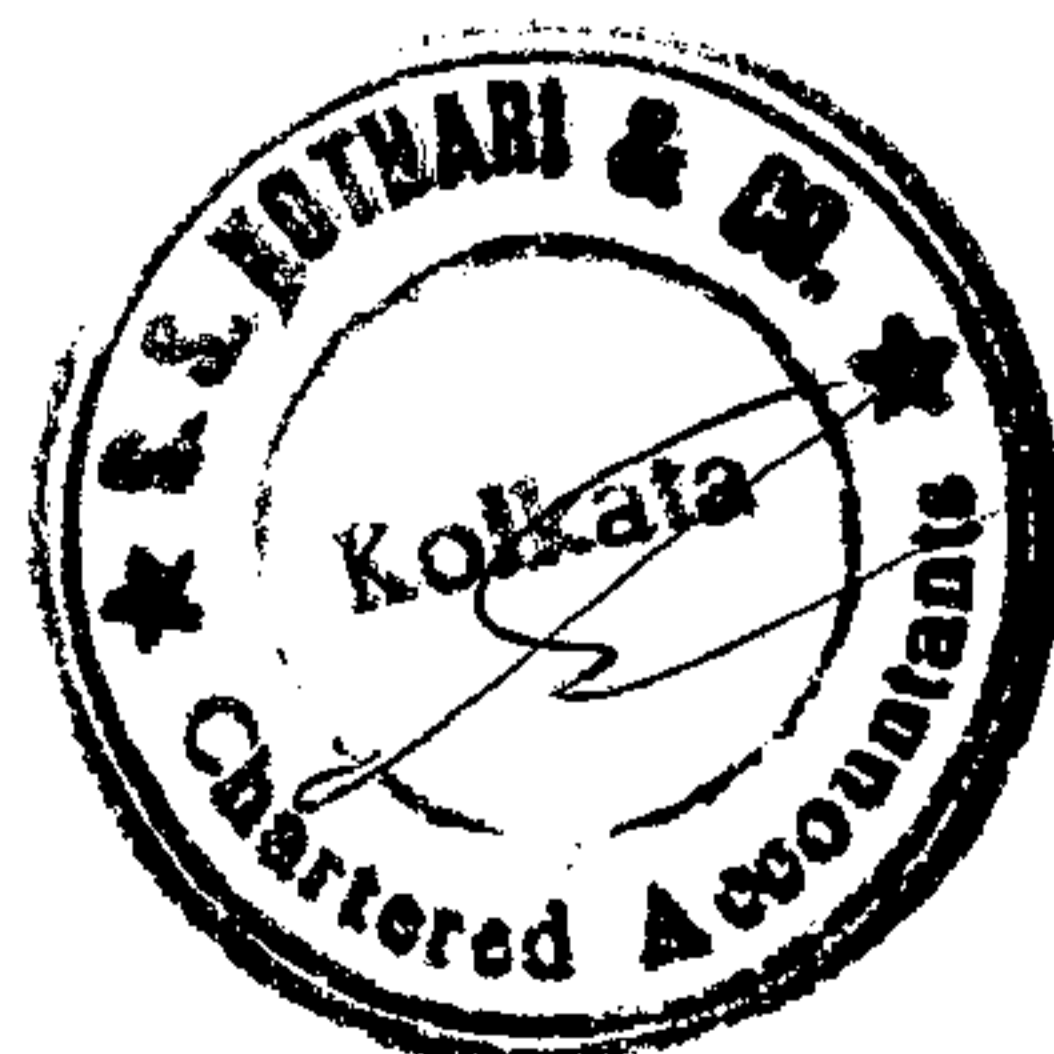
**The Annexure referred to in paragraph 1 of the Our Report of even date to the Members of M/S. Border Transport Infrastructure Development Limited, on the accounts of the company for the year ended 31st March, 2014.**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.  
  
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. As there are no Inventories during the year/year end, accordingly we are not required to comment on the physical verification and maintenance of records relating to inventory.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.  
  
(b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.  
  
b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arise.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.



8. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2014 for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is not trading in Shares, Mutual funds & other Investments.
15. According to the information and explanations given to us, the Company has not given guarantees for loan taken by others from a bank or financial institution. We are of the opinion that the related terms and conditions are not prima facie prejudicial to the interest of the Company.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.



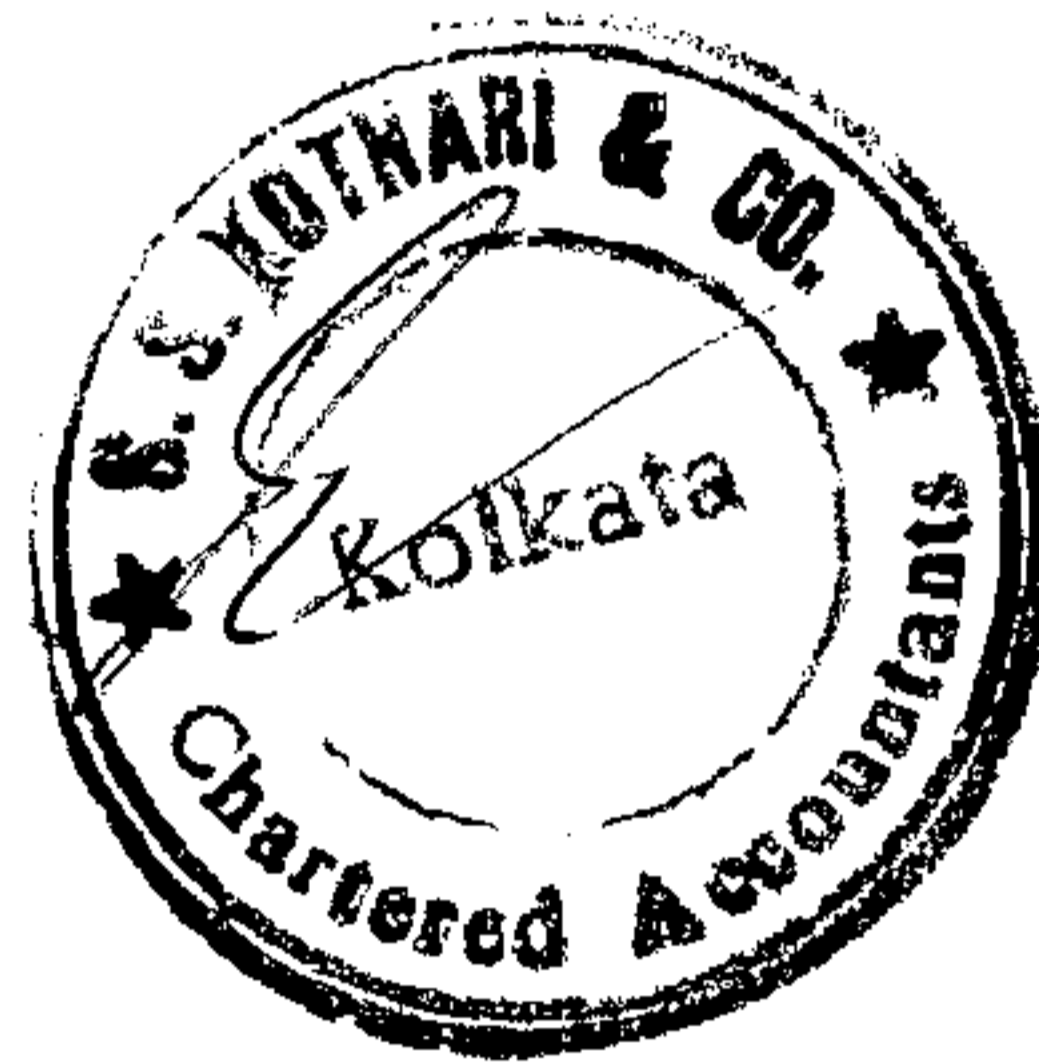
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For **S. S. KOTHARI & CO.**  
Chartered Accountants  
FR No. 302034E



R.N. Bardhan  
**Partner**  
Membership No. 17270

Place: Kolkata  
Date: 23rd May, 2014



**Border Transport Infrastructure Development Limited**  
**Balance Sheet as at March 31, 2014**

	Notes	March 31, 2014 Amount (in Rs.)	March 31, 2013 Amount (in Rs.)
<b>I. EQUITY &amp; LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	3,545,000	3,545,000
Reserve and Surplus	3	25,245,000	25,245,000
<b>Non-Current Liabilities</b>			
Long term borrowings	4	200,000,000	200,000,000
<b>Current Liabilities</b>			
Short term borrowings	5	101,116,000	73,732,000
Trade payable	6	36,084	34,899
Other Current liabilities	7	577,657	2,549,195
<b>Total</b>		<b>330,519,741</b>	<b>305,106,094</b>

**II. Assets**

**Non-current assets**

<b>Fixed assets</b>			
Tangible assets	8	3,118	5,197
Intangible assets			
Capital work-in-progress	9	129,756,605	104,750,823
Intangible assets under development			
<b>Non-current investments</b>			
Deferred tax assets (net)			
Long term loans and advances	10	200,004,151	200,001,000
Other non-current assets	11	163,700	163,700

**Current assets**

<b>Current investments</b>			
<b>Inventories</b>			
Trade Receivables	12		
Cash and cash equivalents	12	592,166	185,374
Short term loans and advances	12	-	-
Other current assets			

**Total**

**330,519,741      305,106,094**

Summary of Significant Accounting Policies

1

The accompanying notes are an integral part of the financial statements  
As per our report of even date

**For S.S.Kothari & Co**  
Chartered Accountants  
FR No. 302034E



**R.N.Bardhan**  
Partner  
Membership No. 17270

**For and on Behalf of the Board**

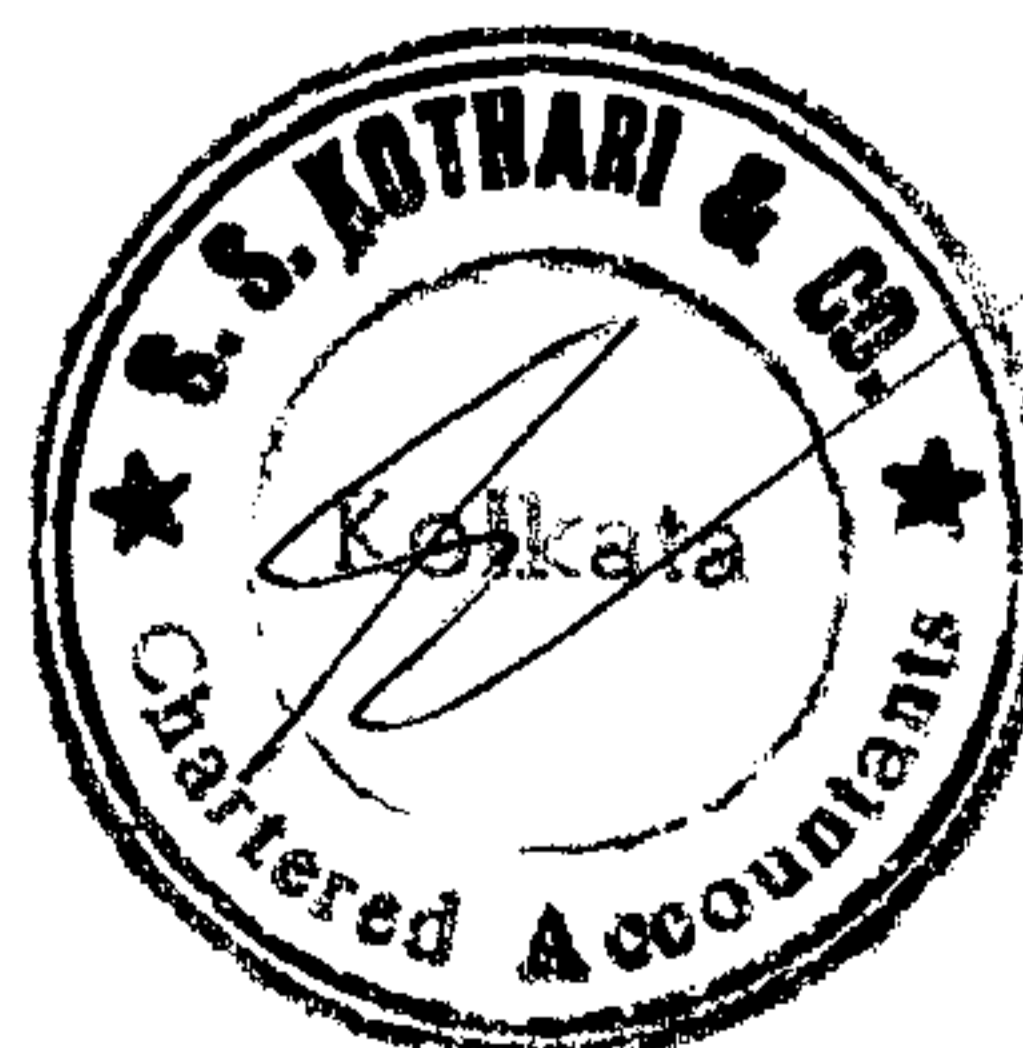


Director



Director

Date : 23.05.2014  
Place : Kolkata



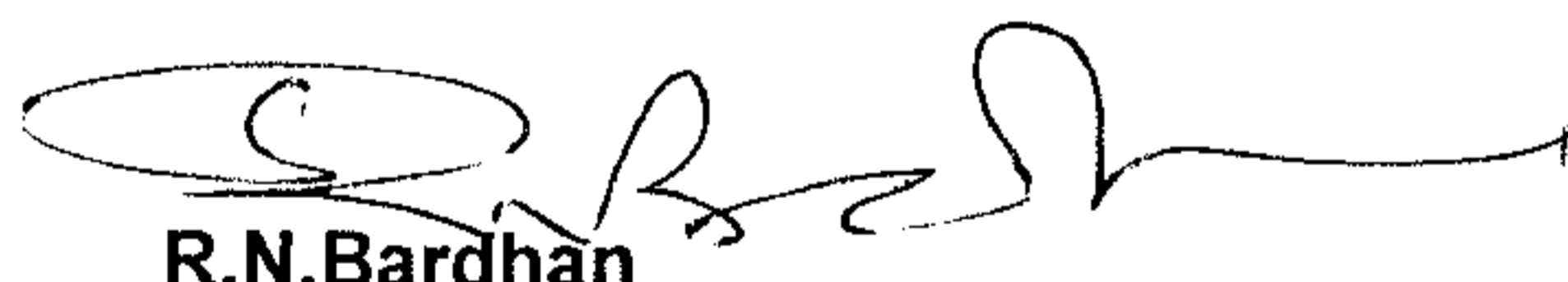
**Border Transport Infrastructure Development Limited**  
**Cash Flow Statement for the period ended March 31, 2014**

Particulars	March 31, 2014 Amount (Rs.)	March 31, 2013 Amount (Rs.)
<b>A. CASH FLOW OPERATING ACTIVITIES</b>	Nil	Nil
Net Profit/(Loss) before Taxation and Extraordinary activities		
Adjustments for Profit & Loss A/c		
Increase / (Decrease) in depreciation	2,079	3,464
Operating Profit Before Working Capital Changes	2,079	3,464
Adjustments for:		
Long term loans and advances	(3,151)	
(Increase) / Decrease in Trade Payable	1,185	11,706
Increase / (Decrease) in Other Current Liabilities	(1,971,538)	(7,342)
<b>Net Cash From Operating Activities</b>	<b>(1,971,426)</b>	<b>7,828</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Increase) / Decrease in Capital work in progress	(25,005,782)	(25,396,105)
Decrease in loans & advances	-	-
(Increase) / Decrease in Misc. Expenditure-Preliminary Expenses	-	-
Purchase of Fixed Assets	-	-
	<b>(25,005,782)</b>	<b>(25,396,105)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipt of Borrowings	27,384,000	25,332,000
Receipt of Share capital	-	-
	<b>27,384,000</b>	<b>25,332,000</b>
<b>D. Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>406,792</b>	<b>(56,277)</b>
Opening Cash and cash equivalents	185,374	241,651
Closing Cash and cash equivalents	592,166	185,374
<b>Closing Cash and cash equivalents as per Balance Sheet</b>	<b>592,166</b>	<b>185,374</b>

Note:

1 Figures in brackets denote cash outflow

For **S.S.Kothari & Co.**  
Chartered Accountants  
FR No. 302034E



**R.N. Bardhan**  
Partner  
Membership No. 17270

Date : **23.05.2014**  
Place : Kolkata

For and on Behalf of the Board



Director



Director



**BORDER TRANSPORT INFRASTRUCTURE DEVELOPMENT LTD.**

**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2014**

**Note -1: Significant Accounting Policies & Practices**

**1. SIGNIFICANT ACCOUNTING POLICIES:**

**1.1 Basis of Accounting**

The Company prepares its financial statements in accordance with generally accepted accounting practices and also in accordance with requirements of Companies Act, 1956.

**1.2 Fixed Assets**

These are stated at Cost. Attributable expenditure added with capital work in progress.

**1.3 Depreciation**

Depreciation on fixed assets is provided under Written down Value method at rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

**1.4 Revenue Recognition**

All Expenses incurred up to date of commercial operation are recognized as Capital work in progress.

**1.5 Borrowing Cost**

Borrowing Costs that are attributable to the acquisition and construction of qualifying asset are capitalized as part of cost of asset. Other borrowing costs are recognized as expense in the year in which these are incurred.

**1.6 Contingent Liability**

No provision is made for liabilities which are contingent in nature, unless it is probable that future events will confirm that an asset has been impaired or a liability incurred as at the balance sheet date and a reasonable estimate of the revenue loss can be made. However, all known material contingent liabilities are disclosed by way of separate note.



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**Border Transport Infrastructure Development Limited**  
Notes to Financial Statements for the period ended 31st March, 2014

	March 31, 2014 (Rs.)	March 31, 2013 (Rs.)
<b>NOTE 2 : Share Capital</b>		
<b>Authorised and Issued Share Capital</b>		
10,00,000 Equity Shares of Rs. 10/- each	10,000,000	10,000,000
	10,000,000	10,000,000
<b>Paid up Share Capital</b>		
3,54,500 (Previous Year 3,54,000) Equity Shares of Rs. 10/- each fully paid up (Held by Shristi Housing Development Ltd - Holding Co.)	3,545,000	3,545,000
	3,545,000	3,545,000

a) Rights, Preference, repayability and restriction, if any, on equity shares

All general rights applicable as per Companies Act

b) Reconciliation of number of Shares outstanding at the beginning and end of the year

Particulars	March 31, 2014		March 31, 2013	
	Number	Value	Number	Value
As at the beginning of the year	354,500	3,545,000	354,500	3,545,000
Issued during the year	-	-	-	-
As at the end of the year	354,500	3,545,000	354,500	3,545,000

c) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	March 31, 2014		March 31, 2013	
	Number	% holding	Number	% holding
Equity shares of Rs10 each fully paid - Shristi Housing Development Ltd.	354,000	99.86%	354,000	99.86%

**Note - 3**

**Reserve & Surplus**

Securities Premium

25,245,000      25,245,000

25,245,000      25,245,000

**Note - 4**

**Long term borrowings**

Srei Infrastructure Finance Ltd

200,000,000      200,000,000

200,000,000      200,000,000

**Note - 5**

**Short term borrowings**

Shristi Housing Development Limited (Holding Company)

Shristi Infrastructure Development Corporation Ltd

101,116,000      73,730,000

-      2,000

101,116,000      73,732,000

**Note - 6**

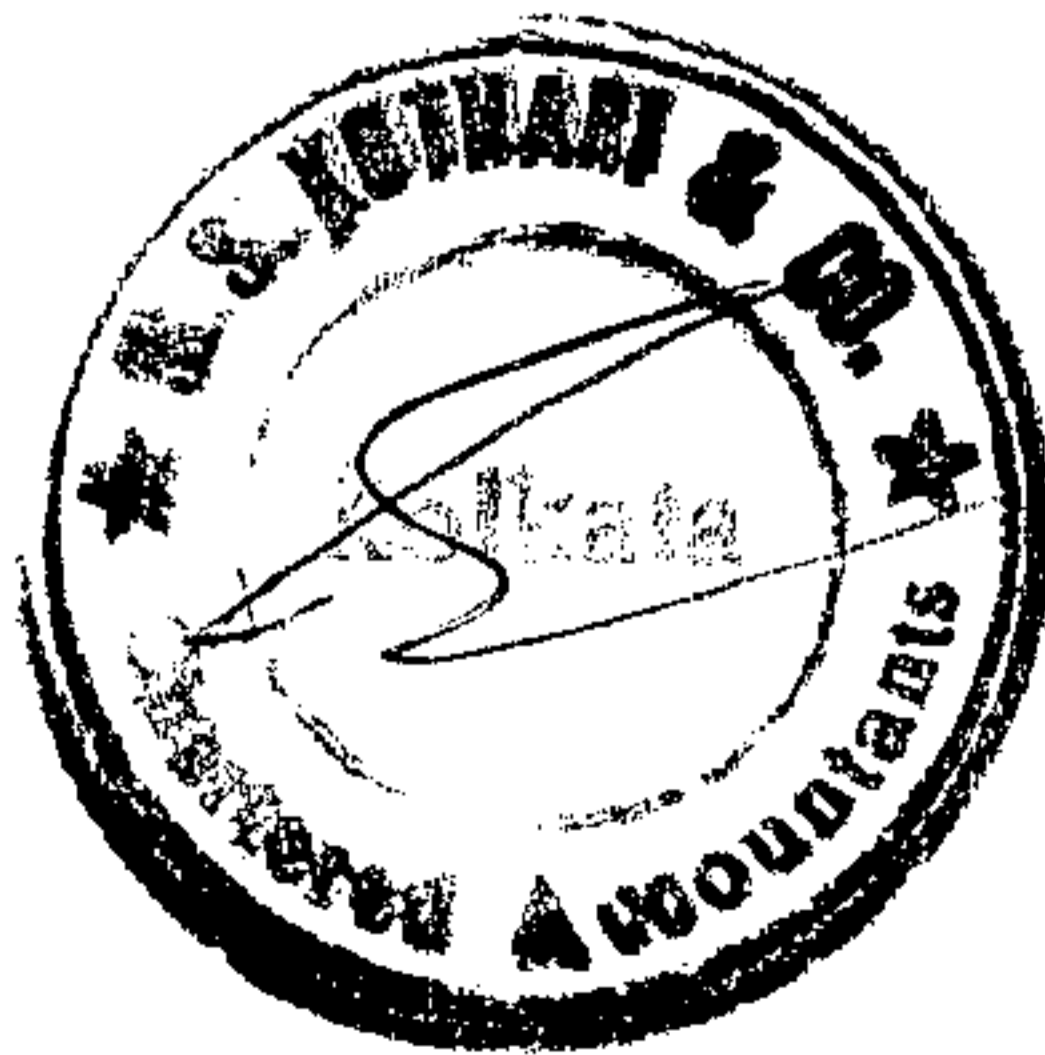
**Trade payable**

-Dues to Micro and Small Enterprises

-Dues to other than Micro and Small Enterprises

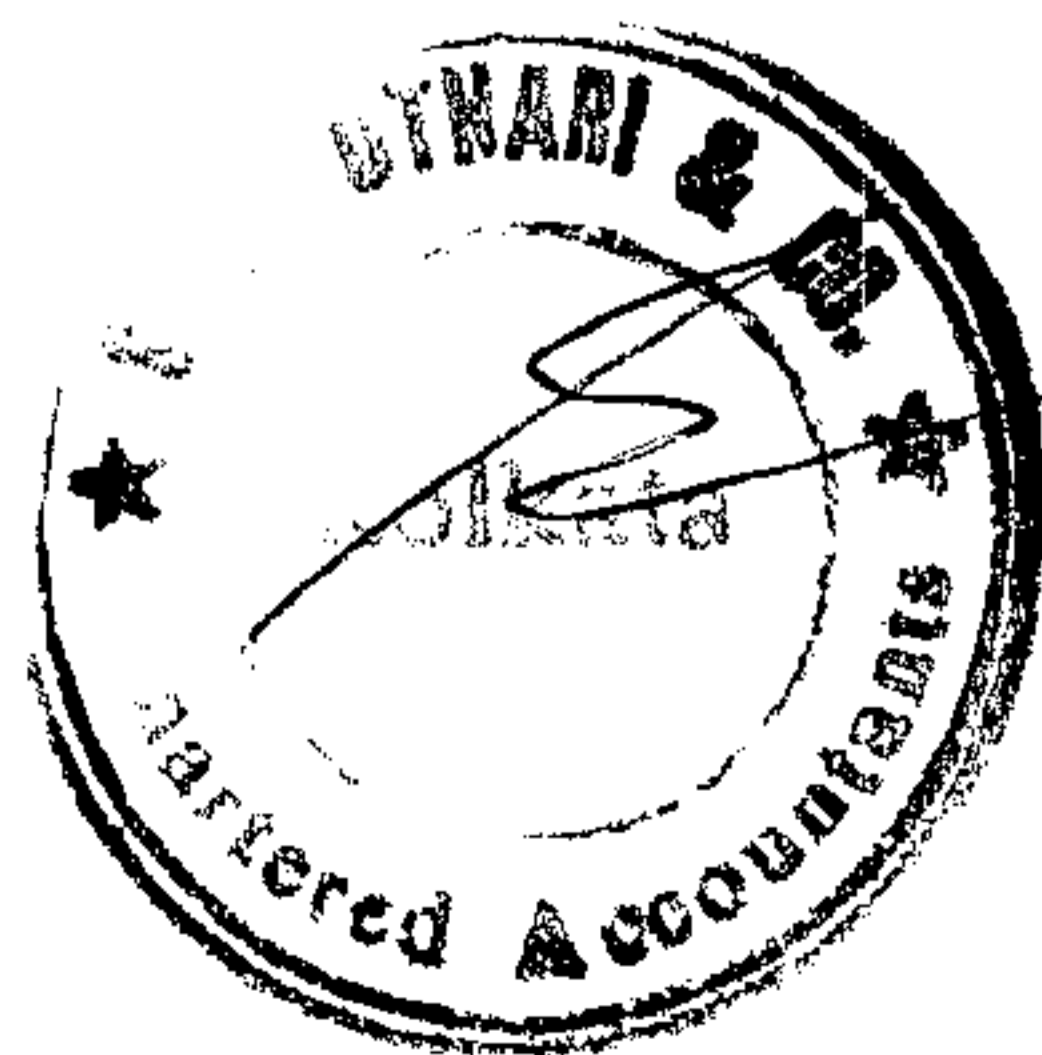
36,084      34,899

36,084      34,899



**Border Transport Infrastructure Development Limited**  
**Notes to Financial Statements for the period ended 31st March, 2014**

	March 31, 2014 (Rs.)	March 31, 2013 (Rs.)
<b>Note - 7</b>		
<b>Other Current liabilities</b>		
Audit Fees Payable (S.S.Kothari & Co)	12,575	12,575
Duties & Taxes payable	565,082	2,536,620
	<b>577,657</b>	<b>2,549,195</b>
<b>Note - 9</b>		
Capital work in progress- opening balance - (a)	104,750,823	79,354,718
Employee benefit expense		
Salaries, Wages, Gratuity & staff cost		
<b>Sub total - (b)</b>	-	-
<b>Finance cost</b>		
Interest expenses	24,849,524	25,364,900
Bank Charges	16,000	
<b>Sub total - (c)</b>	<b>24,865,524</b>	<b>25,364,900</b>
<b>Other expense</b>		
Professional Consultancy Fees	13,000	14,500
Printing & Stationery Expenses	135	20
Rates & Taxes	107,168	206
Depreciation	2,079	3,464
Audit Fee	11,236	11,236
Filing Fees	6,640	1,779
<b>Sub total - (d)</b>	<b>140,258</b>	<b>31,205</b>
<b>Total of Capital work in progress incl.b/f (a+b+c+d)</b>	<b>129,756,605</b>	<b>104,750,823</b>
<b>Note - 10</b>		
<b>Long term loans and advances</b>		
Unsecured, considered good		
- Security Deposit for Project	200,000,000	200,000,000
- others	1,000	1,000
<b>ADVANCE RECOVERABLE IN CASH OR IN KIND</b>		
Service tax input	3,151	
	<b>200,004,151</b>	<b>200,001,000</b>
<b>Note - 11</b>		
<b>Other Non-Current Assets</b>		
Preliminary Expenses to the extent not yet written off or adjusted	163,700	163,700
	<b>163,700</b>	<b>163,700</b>
<b>Note - 12</b>		
<b>Cash and cash equivalents</b>		
Cash-in-hand	16,629	22,904
Balances with scheduled banks		
- in Current Accounts	575,537	162,470
	<b>592,166</b>	<b>185,374</b>



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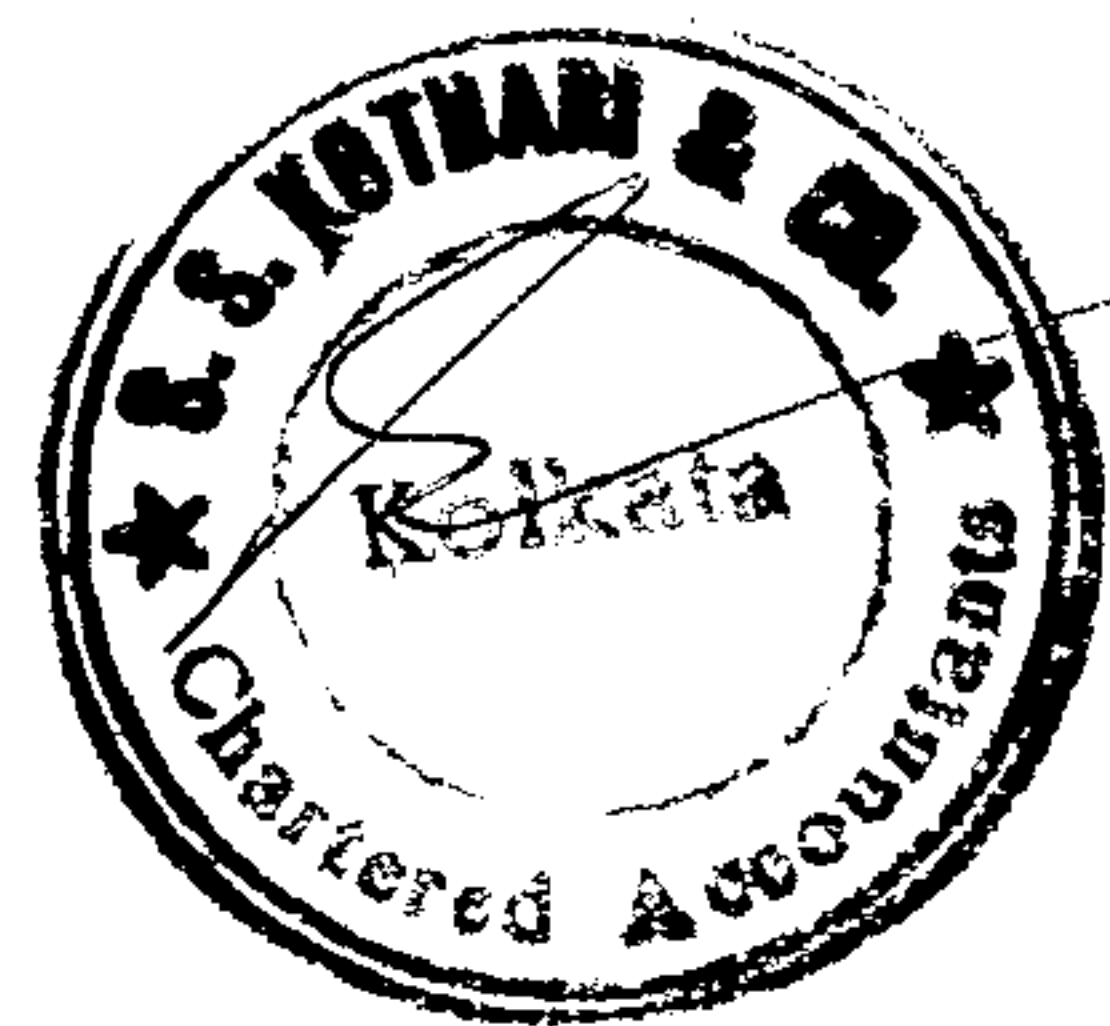
Note – 8  
Fixed Assets

(Figures in Rs.)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.2013	Additions	As at 31.03.2014	As at 01.04.2013	Deprn. for the year	As at 31.03.2014	As At 31.03.2014	As At 31.03.2013
Computers	59,820	-	59,820	54,623	2,079	56,702	3,118	5,197
Total	59,820	-	59,820	54,623	2,079	56,702	3,118	5,197
Pervious Year	59,820	-	59,820	51,159	3,464	54,623	5,197	-

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**BORDER TRANSPORT INFRASTRUCTURE DEVELOPMENT LTD.**

**Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2014**

13. No profit & Loss Account have been prepared as the company is yet to commence the commercial operations.
14. Contingent liabilities – NIL.
15. Since the company is not having any timing difference and permanent difference as prescribed under Accounting Standard – 22 issued by ICAI hence, provision of Deferred Tax is not required.
16. The Company has not started any commercial activities and no profit & loss account has been prepared, hence Earning Per Share as per AS - 20 issued by the Institute of Chartered Accountants of India is not considered.
17. **Related Party Transactions:**

As per Accounting Standard – 18 issued by the Institute of Chartered Accountants of India, the Company's related parties and transactions are discussed below:

a. **List of related parties & relationships, where control exists:**

i. **Holding Company**

Shristi Housing Development Limited

b. **Related parties & relationships with whom transactions have taken place during the year:**

i. **Key Management Personnel**

Shankar Mukherjee – Director  
Sunil Jha – Director  
Rahul Varma - Director

c. **Transactions with related parties**

Relationship	Nature of Expenses Amount	Balance as on 31.03.2014	Balance as on 31.03.2013
Holding Company	Short term Borrowings	10,11,16,000	7,37,30,000
	Security Deposit Paid	20,00,00,000	20,00,00,000

18. The Company has re-classified the previous year figures in accordance with the requirements applicable in the current year as required by the revised Schedule VI of the Companies Act, 1956.

As per our attached report of given date

For S.S.KOTHARI&CO.

Chartered Accountants

FR No. 302034E



(R.N.BARDHAN)

Partner

Membership No.17270

Place: Kolkata

Date: 23.05.2014



(Director)



(Director)

