

R. Kothari & Company

CHARTERED ACCOUNTANTS

MUMBAI, KOLKATA, NEW DELHI

INDEPENDENT AUDITOR'S REPORT

TO
THE MEMBERS OF
M/S EAST KOLKATA INFRASTRUCTURE DEVELOPMENT PRIVATE
LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of M/S EAST KOLKATA INFRASTRUCTURE DEVELOPMENT PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2015, Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information. No Statement of Profit & Loss has been prepared as per Note No. 11 of the Financial Statements.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and cash flows of the Company in accordance with the accounting principles, generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 have taken into account the provisions of the Act, the accounting and auditing standards, and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.



We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 financial control relevant to the Company's preparation of the 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 whether the company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the company's 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 on the financial statements.

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 Balance Sheet of the state of affairs of the Company as at 31st March 2015; *and*

(b) In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- (c) The Balance Sheet and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of written representations received from the directors as on 31st March 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) This report does not include a statement on the matters specified in Paragraph '3 and 4' of the Companies (Auditor's Report) Order, 2015 issued by Central Government of India since in our opinion and according to the information and explanations given to us, said order is not applicable to the company; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact on its financial position in its financial statements ;
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred by the Company to the Investor Education and Protection Fund.

For R. Kothari & Company

Chartered Accountants

FRN : 307069E



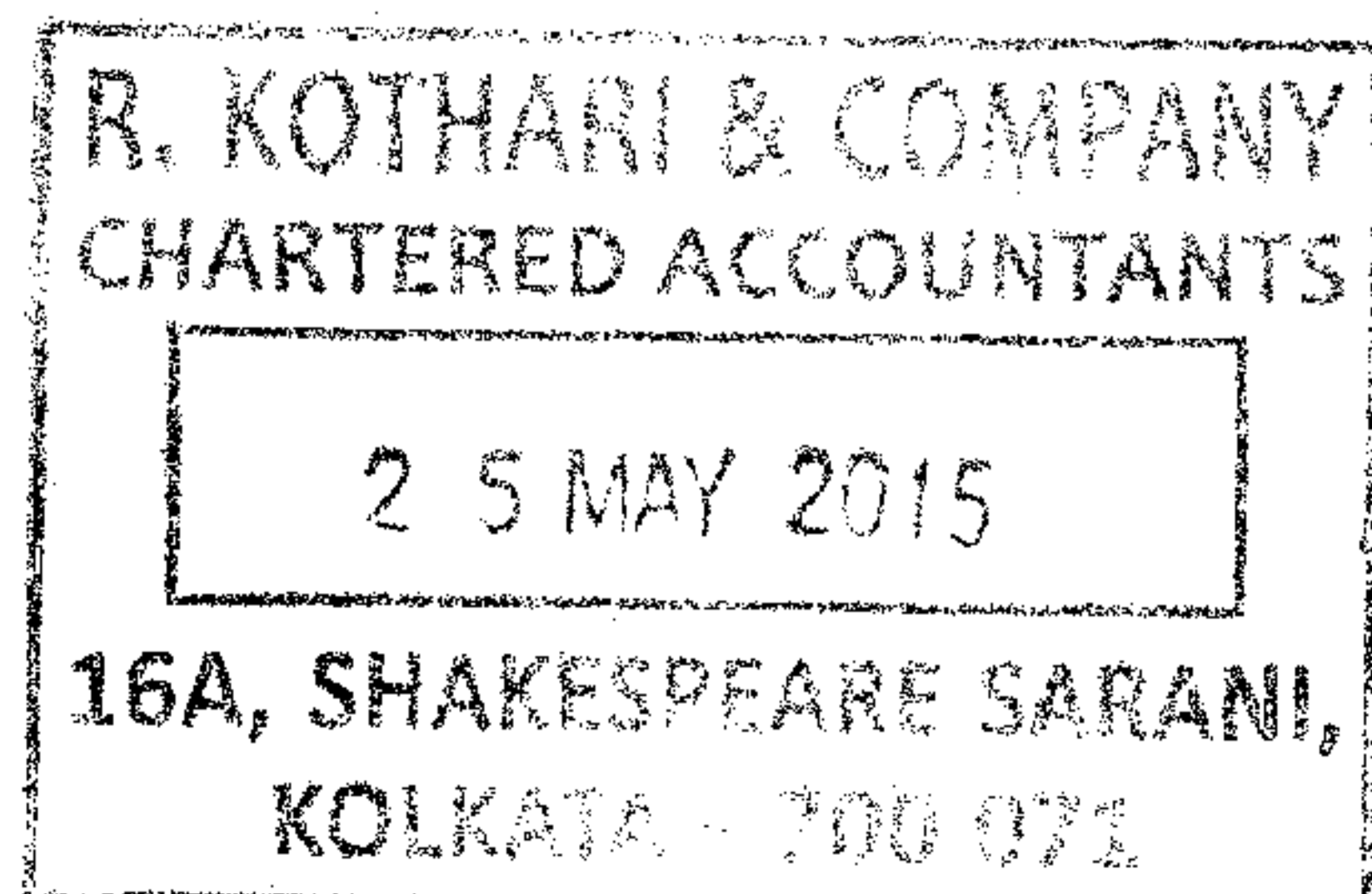
(Signature)
(Deepak Kumar Singh)

Partner

Membership No. : 065688

Place : Kolkata

Date :



East Kolkata Infrastructure Development Pvt. Ltd.
Balance Sheet as at Mar 31, 2015

Particulars	Notes	As On 31.03.2015 Amount (in Rs.)	As On 31.03.2014 Amount (in Rs.)
I. EQUITY & LIABILITIES			
Shareholders' Funds			
Share Capital	2	1,000,000	1,000,000
Current Liabilities			
Short Terms Borrowings	3	23,865,000	23,650,000
Trade Payable	4	898,798	908,472
Other Current Liabilities	5	61,680	25,408
		25,825,478	25,583,880
II. ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	6	8,382	9,737
Other Non- Current Assets	7	23,152,627	22,931,977
Current Assets			
Cash & cash equivalents	8	23,986	20,641
Short Term Loans & Advances	9	2,640,482	2,621,525
		25,825,478	25,583,880

Significant Accounting policies

1.1 to 1.6

Notes to Financial Statements

2 to 19

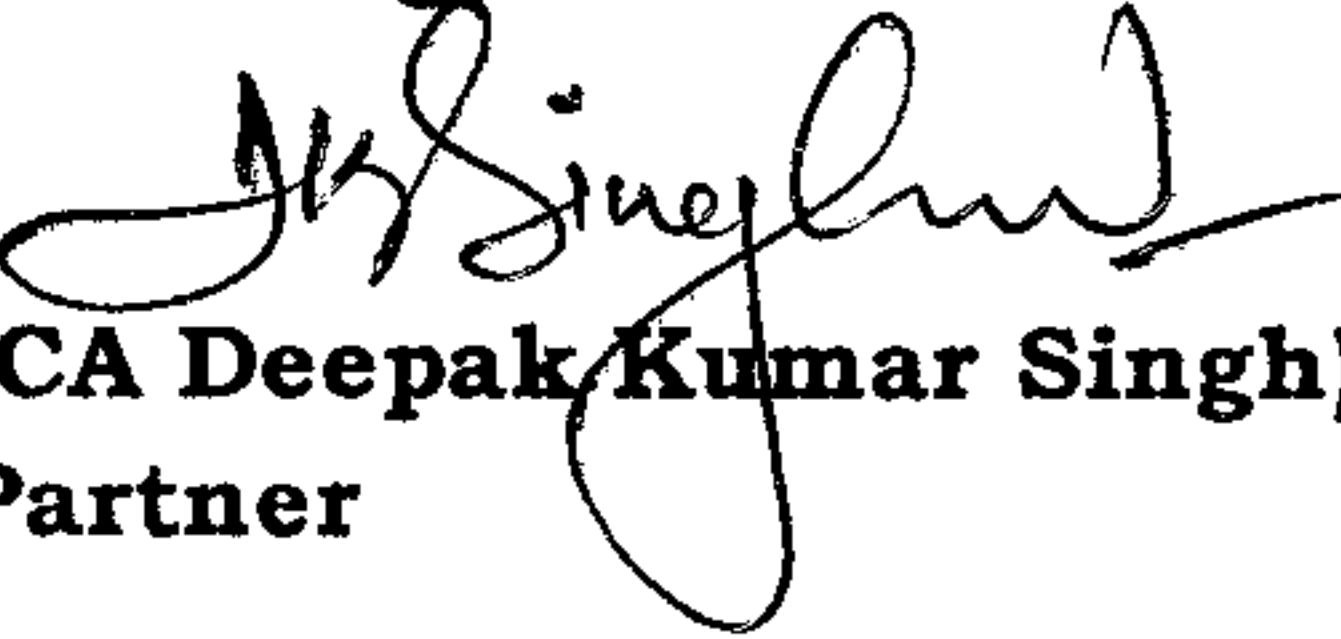
The accompanying notes (1 to 18) form an integral part of the financial statements

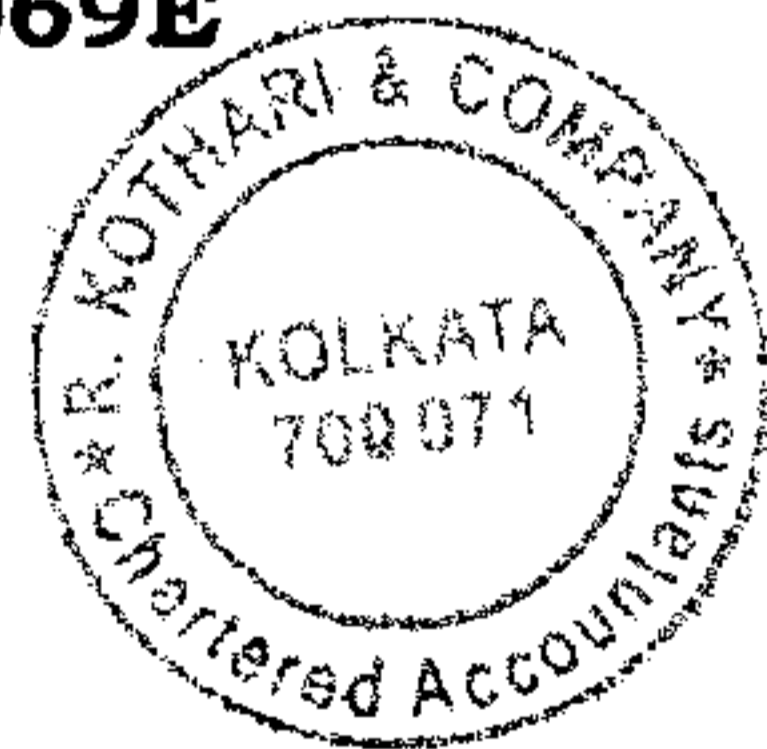
As per our report of even date annexed

For R.Kothari & Company


Chartered Accountants

Firm Registration No. 307069E


(CA Deepak Kumar Singh)
Partner



For and on Behalf of the Board



Sunil Jha
Director
00085667



Rahul Varma
Director
00085064

Date : 25.05.2015

Place : Kolkata

East Kolkata Infrastructure Development Pvt. Ltd.
Cash Flow Statement for the year ended 31.03.2015

Particulars	Year Ended 31.03.2015 Amount (Rs.)	Year Ended 31.03.2014 Amount (Rs.)
A. CASH FLOW OPERATING ACTIVITIES		
Net Profit/(Loss) before Taxation and Extraordinary activities	-	-
Adjustments for Profit & Loss A/c		
Increase / (Decrease) in depreciation	1,354	1,573
Operating Profit Before Working Capital Changes		
Adjustments for:		
(Increase) / Decrease in Short Term Loan & Advances	(18,957)	(1,067,397)
Increase / (Decrease) in Short Term Borrowings	215,000	1,285,000
Increase / (Decrease) in Trade Payables	(9,674)	(8,753)
Increase / (Decrease) in Other Current Liabilities	36,272	(19,592)
Net Cash From Operating Activities	223,995	190,831
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Increase) / Decrease in Pre-operative Expenses	(220,650)	(206,996)
Purchase of Fixed Assets	-	-
	(220,650)	(206,996)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	3,345	(16,165)
Opening Cash and cash equivalents	20,641	36,806
Closing Cash and cash equivalents	23,986	20,641
Closing Cash and cash equivalents as per Balance Sheet	23,986	20,641

Significant Accounting policies

1.1 to 1.6

Notes to Financial Statements

2 to 19

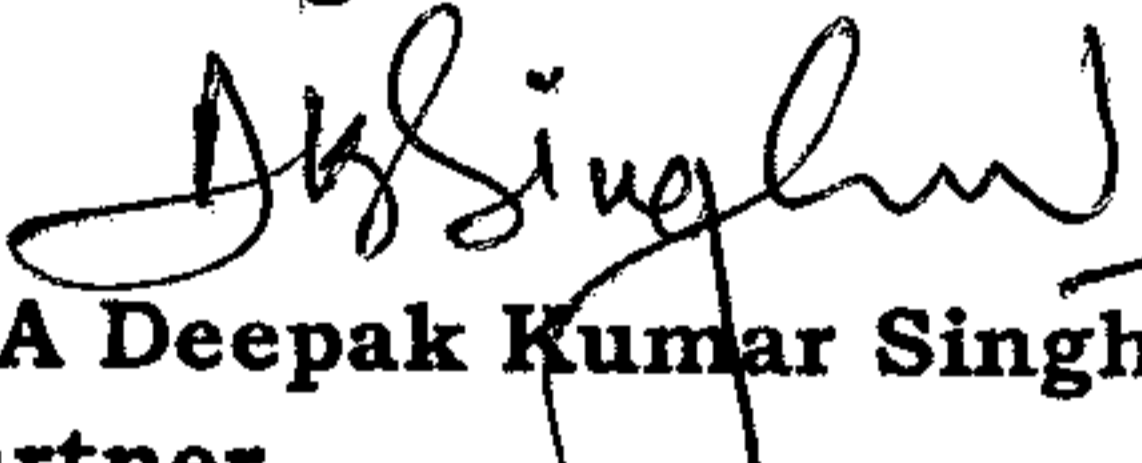
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As per our report of even date annexed

For R.Kothari & Company

Chartered Accountants

Firm Registration No. 307069E


(CA Deepak Kumar Singh)
Partner



Date : 25.05.2015

Place : Kolkata

For and on Behalf of the Board



Sunil Jha
Director
00085667



Rahul Varma
Director
00085064

EAST KOLKATA INFRASTRUCTURE DEVELOPMENT PVT. LTD

Notes to Financial Statements for the year ended 31st March, 2015

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, 2013.

All expenses incurred up to the date of commercial operation are recognized as Preoperative Expenses.

1.2 Miscellaneous Expenditure

Miscellaneous Expenditure to the extent not written off is carried forward to be charged to revenue over five years starting from the year of commencement of commercial activity.

1.3 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.

1.4 Fixed Assets

Fixed Assets are stated at cost inclusive of taxes and other attributable costs up to the date the asset is ready for intended use less Depreciation.

Depreciation on fixed assets is provided on Written down value Method at the rates and manner specified in Schedule XIV to the Companies Act, 1956.

Depreciation as per Schedule II of the Companies Act 2013 has not been provided during the year and the same shall be taken into account in the next Financial Year.

1.5 Taxation

Current Tax is determined on the basis of the amount of tax payable for the year under Income Tax Act. And Deferred Tax is calculated at current tax rate and is recognized on timing differences between taxable profit and book profit that originate in one period and are capable of reversal in one or more subsequent period.

1.6 Borrowing Cost

Borrowing cost relating to acquisition/ construction of qualifying assets are capitalized until the time all substantial activities necessary to bring the assets for their intended use are complete. All other Borrowing costs are charged to revenue.



East Kolkata Infrastructure Development Pvt. Ltd.
Notes to Financial Statements for the year ended 31st Mar, 2015

	As at March 31, 2015 Amount (in Rs.)	As at March 31, 2014 Amount (in Rs.)
Note -2:		
Share Capital		
Authorised		
1,000,000 Equity Shares of Rs. 10/- each	10,000,000	10,000,000
Issued, Subscribed & Paid up		
1,00,000 (P.Y 1,00,000) Equity Shares of Rs. 10/- each fully paid up in cash	1,000,000	1,000,000
	1,000,000	1,000,000

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

The company has only one class of equity shares having a par value of Rs 10/- per share. Each holder of equity shares is entitled to have one vote per share. Dividend if any proposed by the Board of Directors is subject to approval of the share holders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company after distribution of all preferential amounts in proportion to the no. of equity shares held by them.

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

Particulars	March 31, 2015		March 31, 2014	
	No.	Value (in Rs.)	No.	Value (in Rs.)
Shares at the beginning of the year	100,000	1,000,000	100,000	1,000,000
Issued during the year	-	-	-	-
Shares at the end of the year	100,000	1,000,000	100,000	1,000,000

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

Name of the shareholder	March 31, 2015		March 31, 2014	
	Number	%	Number	%
Shristi Housing Development Ltd. along with its nominees.	100000	100.00%	95000	95.00%

Note -3 :

Short Term Borrowings

Repayable on Demand*	23,865,000	23,650,000
	23,865,000	23,650,000

* The above loan is taken from its Holding Company i.e Shristi Housing Development Limited

Note -4 :

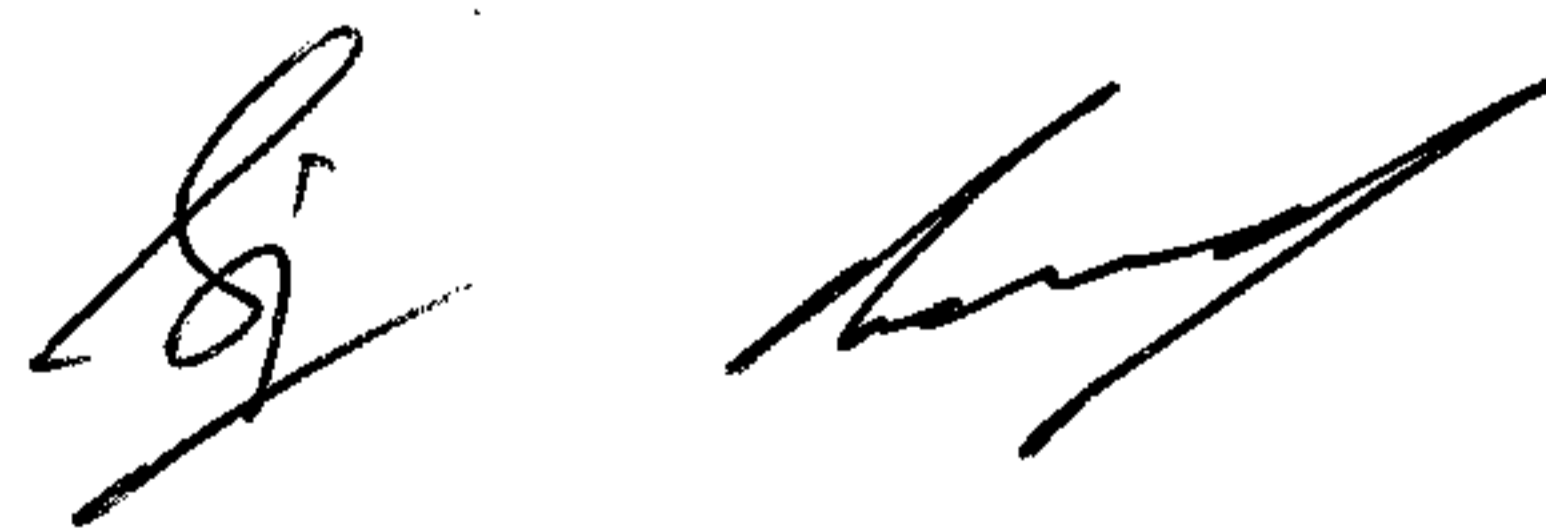
Trade Payable

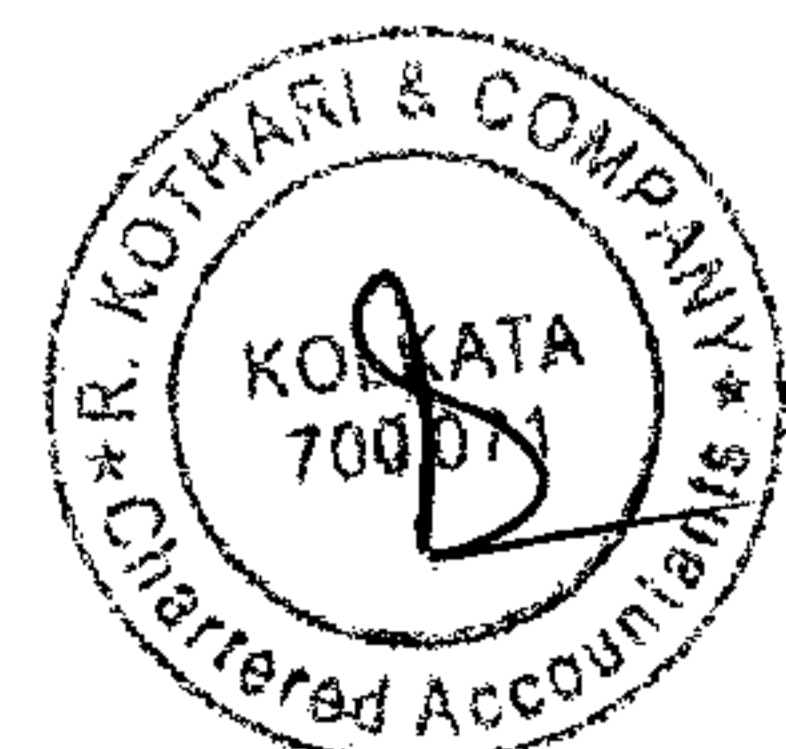
Sundry Creditors	898,798	908,472
	898,798	908,472

Note -5 :

Other Current Liabilities

Liability for Expenses	27,612	10,112
Duties & Taxes payable	34,068	15,296
	61,680	25,408





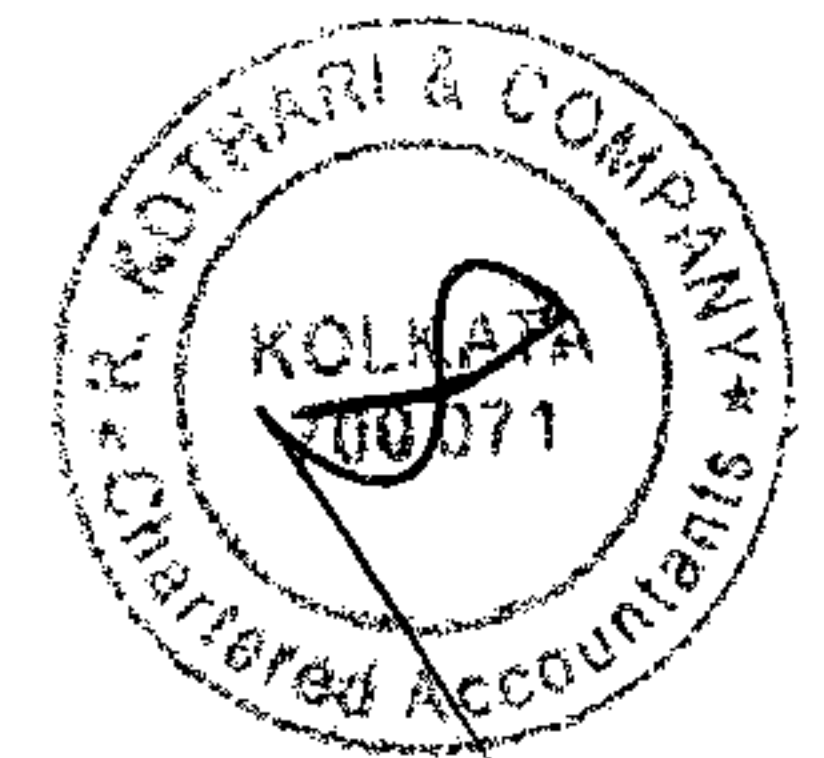
East Kolkata Infrastructure Development Pvt. Ltd.
Notes to Financial Statements for the year ended 31st Mar, 2015

Note - 6 : Fixed Assets
Tangible Assets

(Amount in Rs.)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.2014	Addition/ (Deduction)	As at 31.03.2015	Upto 01.04.2014	Depreciation for the year	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
Office Equipment	13,800	-	13,800	4,063	1,354	5,418	8,382	9,737
Total	13,800	-	13,800	4,063	1,354	5,418	8,382	9,737
Previous Year	13,800	-	13,800	2,490	1,573	4,063	9,737	

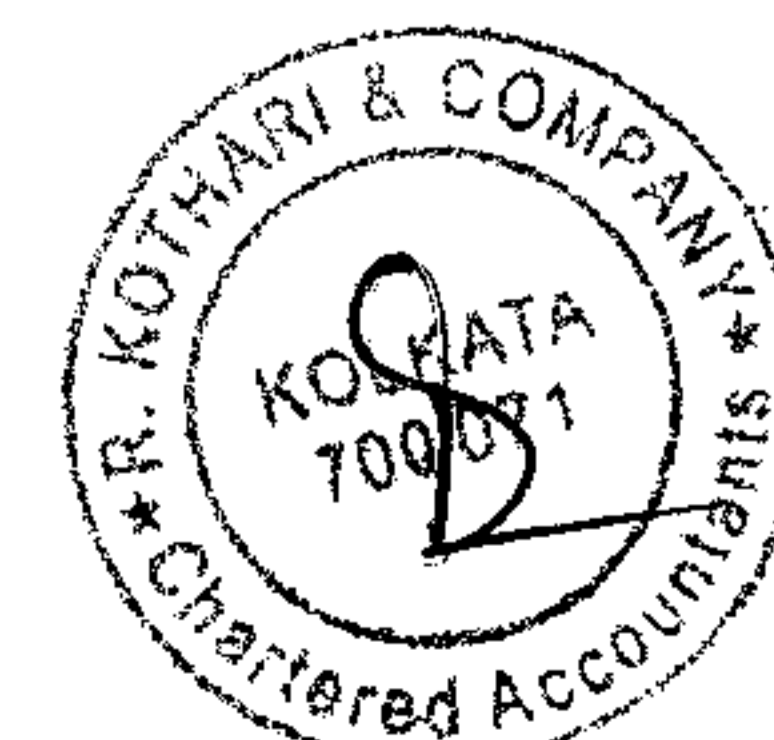




East Kolkata Infrastructure Development Pvt. Ltd.
Notes to Financial Statements for the year ended 31st Mar, 2015

	<u>As at</u> <u>March 31, 2015</u> <u>Amount (in Rs.)</u>	<u>As at</u> <u>March 31, 2014</u> <u>Amount (in Rs.)</u>
Note 7 :		
Other Non Current Assets		
[A] Pre- operative Expenditure		
Balance Brought Forward	22,767,107	22,560,111
Security Services	202,500	165,000
Filing Fees	3,600	6,640
Depreciation	1,354	1,573
Professional Fees	3,000	19,500
Interest on TDS		2,956
General Expenses	84	1,215
Auditor's Remuneration - Statutory Audit Fees	10,112	10,112
Total of Pre-operative Expenditure	22,987,757	22,767,107
[B] Preliminary Expenses	164,870	164,870
	23,152,627	22,931,977
Note 8 :		
Cash & cash equivalents		
Balance with Scheduled Banks -In Current Accounts	3,538	6,509
Cash on Hand (As Certified by the Management)	20,448	14,132
	23,986	20,641
Note 9 :		
Short Term Loans & Advances		
<i>(Unsecured, considered good, unless otherwise stated)</i>		
TDS Receivable	4,128	4,128
Service tax Input	36,354	17,397
Advances	2,600,000	2,600,000
<i>(Recoverable in cash or in kind or for value to be received)</i>	2,640,482	2,621,525



EAST KOLKATA INFRASTRUCTURE DEVELOPMENT PVT. LTD

Notes to Financial Statements for the year ended 31st March, 2015

10. The company is in the process of finalizing a development agreement with Third Party Pending finalization of terms. All the expenses incurred for the project including amount incurred for construction of boundary wall has been accounted for as pre - operative expenses and shown under Note No. 7. The capital commitment of the company for the said project remains unascertained.
11. The company is yet to commence the commercial operations; hence no Statement of Profit & Loss has been prepared for the period under review.
12. The Company has not paid any Managerial remuneration to any of the Directors for the period.
13. Contingent liabilities: NIL.
14. Since the company has not yet started any commercial activities and no Statement of Profit & Loss has been prepared, hence earning per share as per AS - 20, issued by the Institute of Chartered Accountants of India is not considered.

15. Related Party Transactions

As per the Accounting Standard - 18, issued by the Institute of Chartered Accountants of India, the Company's related parties and transactions with them have been discussed below:

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

Holding company of reporting Enterprise

Shristi Housing Development Limited.

Ultimate Holding company of Reporting Enterprise

Shristi Infrastructure Development Corporation Limited.

- b. Transactions with Related Parties:

S. No.	Relationship	Nature	As on 31 st March 2015 (Rs.)	As on 31 st March 2014 (Rs.)
1.	Holding Company	Loan Taken	2,15,000/-	12,85,000/-
		Outstanding Balance	2,38,65,000/-	2,36,50,000/-

16. The Company has identified social infrastructure real estate business as its sole operating segment and the same has been treated as the primary segment. As such no separate segment information is applicable as per the provisions of Accounting Standard - 17 issued by ICAI.

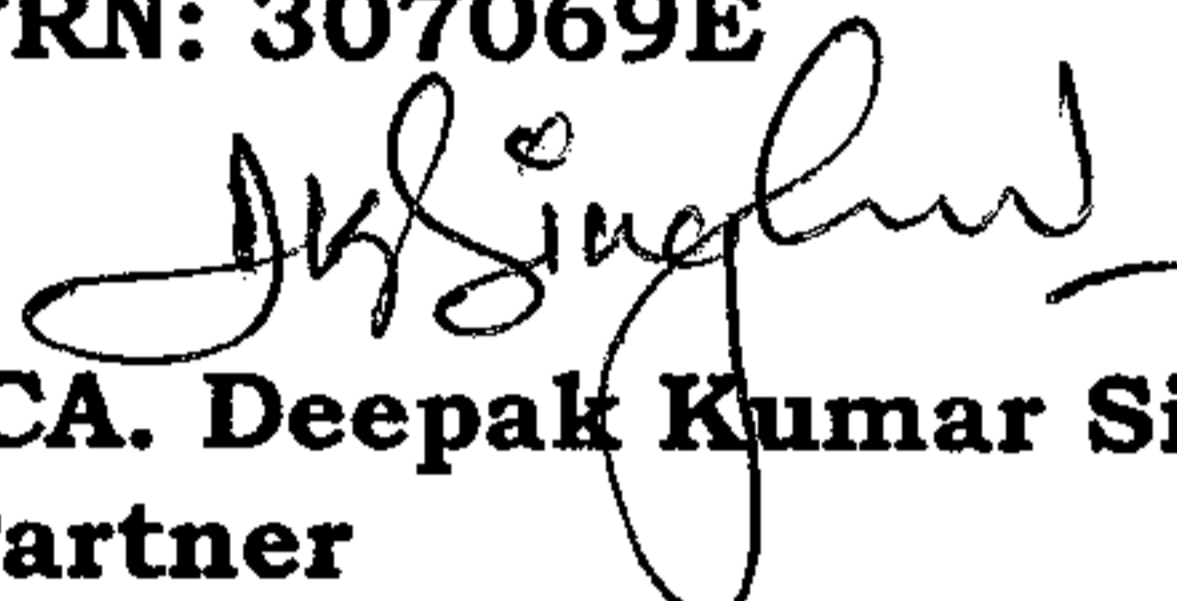


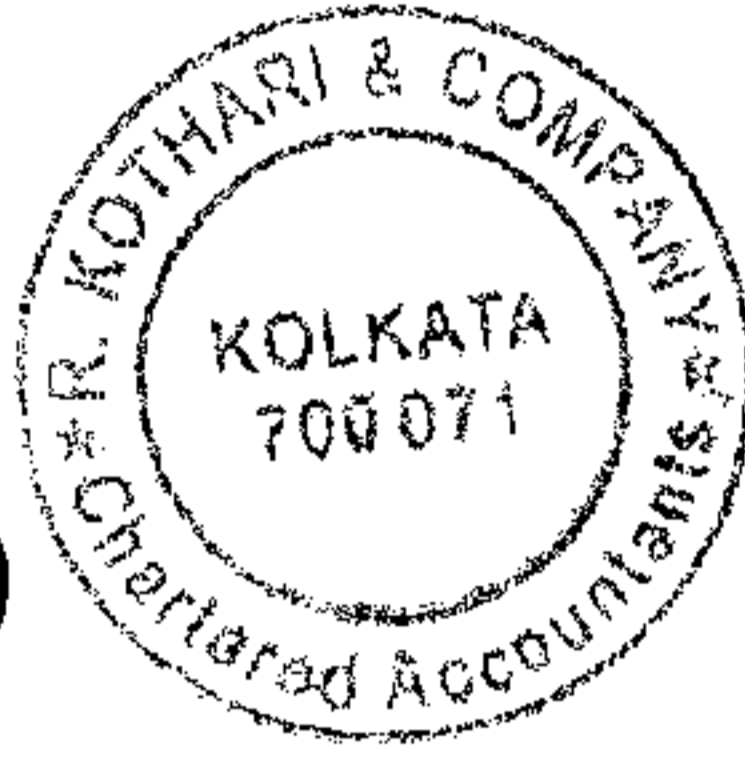
EAST KOLKATA INFRASTRUCTURE DEVELOPMENT PVT. LTD

Notes to Financial Statements for the year ended 31st March, 2015

17. Since the company is not having any timing difference as prescribed under Accounting Standard – 22 issued by ICAI hence, provision of Deferred Tax is not required.
18. Previous year figures are regrouped / rearranged wherever necessary.
19. The Company is in the process of obtaining Trade License from the concerned authorities.

For R. Kothari & Company
Chartered Accountants
FRN: 307069E


(CA. Deepak Kumar Singh)
Partner



For and on behalf of the Board



Sunil Jha
Director
00085667



Rahul Varma
Director
00085064

Place: Kolkata

Date: 25.05.2015