



# Kanchan Janga Integrated Infrastructure Development Pvt Ltd

(A joint venture company of SIDCL & WBIIDC)

Plot No. X -1, 2 & 3, Block - EP, Sector - V, Salt Lake City, Kolkata - 700 091

Phone : +91 33 4020 2020 / 4015 4646 Fax : +91 33 4020 2099

E-mail : contact@shristicorp.com url : www.shristicorp.com



## DIRECTORS' REPORT FOR THE PERIOD ENDED ON 31<sup>ST</sup> MARCH, 2012

*Dear Members,*

Your Directors are pleased to present the Third Annual Report together with the Audited Accounts of your Company for the financial year ended 31<sup>st</sup> March, 2012.

### **OPERATIONS**

Your Company is developing an integrated industrial park with world class infrastructure at Fatapukur, Jalpaiguri. Since the project is at development stage all expenses incurred for the development of the project are recognized as work-in-progress. The company has incurred Rs.5,30,15,207/- as work-in-progress during the year and the total amount of work-in-progress incurred on cumulative basis stood at Rs.11,35,98,754/-.

### **FIXED DEPOSIT**

The Company has not accepted any fixed deposits u/s 58A of the Companies Act, 1956 during the year under review.

### **PARTICULARS OF EMPLOYEES**

There was no employee in the company, in receipt of remuneration in excess of the amount prescribed under Section 217 (2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1988 as amended.

### **PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGES EARNINGS AND OUTGO**

Particulars of statement u/s 217(1)(e) for conservation of Energy, Technology absorption are not given as the Company has not undertaken any manufacturing activity.

During the year under review, the Company neither earned nor utilized any foreign exchange.

### **DIRECTORS**

The Board has appointed Mr. Badri Kumar Tulsyan as an Additional Director of the Company on 7<sup>th</sup> April 2012. He shall hold office upto the date of the ensuing Annual General Meeting. The Company propose to appoint him as Director of the Company.

Mrs. Nandini Chakravorty resigned from the Board on 30<sup>th</sup> January 2012 and Mr. Kamal Sarda resigned from the Board with effect from 7<sup>th</sup> April, 2012. The Board wishes to place on record its appreciation for the valuable services and guidance rendered by them during their tenure as the Director of the Company.

None of the Directors of the Company are disqualified from being appointed as Director of the Company pursuant to Section 274(1)(g) of the Companies Act, 1956.



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## COMPLIANCE CERTIFICATE U/S 383A OF THE COMPANIES ACT, 1956.

Compliance Certificate as required in case of your Company u/s 383A of the Companies Act, 1956 is being attached to this Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies (Amendment) Act, 2000, the Board of Directors of the Company confirms that:

- a) In the Preparation of the Annual Accounts, the applicable Accounting Standards have been followed and there has been no material departures;
- b) The selected Accounting Policies were applied constantly and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2012.
- c) The 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.

## AUDITORS

M/s. KPMB & Associates, Chartered Accountants, retire as the Auditors of your Company at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

## ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation to the Bankers, State Government and the employees for their continued co-operation and support.

FOR AND ON BEHALF OF THE BOARD

Director

Director

PLACE: Kolkata

DATE: 25-05-2012

**COMPLIANCE CERTIFICATE**

**Under Rule 3 of the Companies (Compliance Certificate) Rules, 2001**

**CIN : U51101WB2009PTC132625**

**Authorised Capital : Rs.5,000,000.00**

To,

The Members

**M/S KANCHAN JANGA INTEGRATED INFRASTRUCTURE DEVELOPMENT PRIVATE LIMITED**

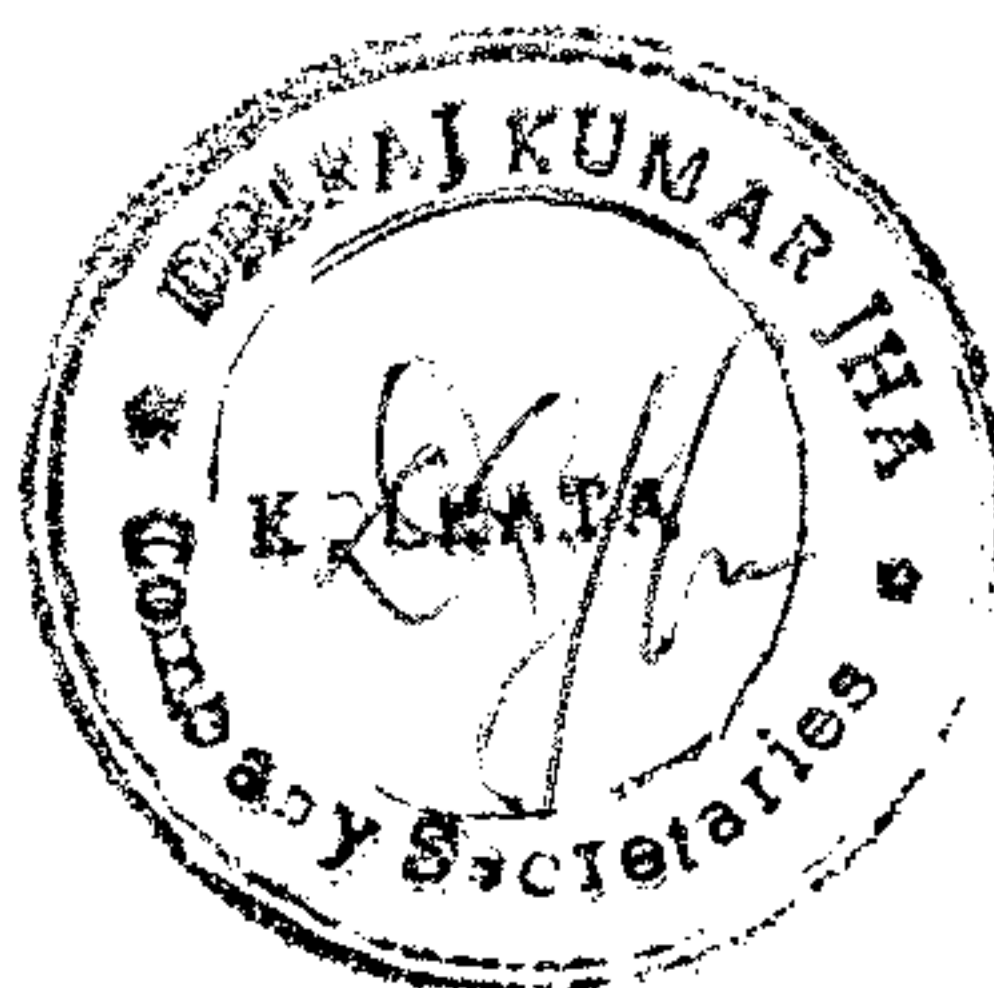
**Plot No. X-1, 2, & 3, Block - EP**

**Sector – V, Salt Lake City,**

**Kolkata – 700 091.**

I have examined the registers, records, books and papers of M/S KANCHAN JANGA INTEGRATED INFRASTRUCTURE DEVELOPMENT PRIVATE LIMITED of Plot No. X-1, 2, & 3, Block – EP, Sector – V, Salt Lake City, Kolkata – 700 091 as required to be maintained under the Companies Act, 1956, and the rules made there under and also the provisions contained in the Memorandum and Articles of association of the company for the financial year ended 31<sup>st</sup> March 2012. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid period:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries there in have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional director, Central Government, Company Law Board or other authorities, wherever applicable, within the time prescribed under the Act and the rules made there under.
3. The company being a private limited company, has the minimum prescribed paid up Capital and its maximum number of members during the said period was Five, excluding its present and past employees and the company during the period under scrutiny:
  - a. has not invited public to subscribed for its Shares and Debentures; and
  - b. has not invited or accepted any deposit from persons other than its members, directors or their relatives.
4. The Board of Directors duly met Four times on 28/06/2011, 23/09/2011 adjourned to 30/09/2011, 31/12/2011 adjourned to 06/01/2012, and 31/03/2012 adjourned to 07/04/2012 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.



5. The company has not closed its Register of Members or Debenture holders during the period.
6. The Annual General Meeting of the Company for the financial year ended 31<sup>st</sup> March, 2011 was held on 30<sup>th</sup> September, 2011 after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not made any loans to its Directors or persons or firms or companies in which directors are interested as referred to under section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of Directors, Members or the Central Government, as the case may be.
12. The Company has not issued any duplicate certificates during the period.
13. The Company :
  - a. was not required to deliver share certificates as there was no allotment, transfer or transmission of shares during the period.
  - b. has not deposited any amount in a separate bank account as no dividend was declared during the period.
  - c. has not posted warrants to any member of the company as no dividend was declared during the period.
  - d. has duly complied with the requirement of Section 217 of the Act
14. The Board of Directors of the Company is duly constituted and appointment of additional directors, alternate directors and directors to fill casual vacancies were duly made during the period.
15. There was no appointment of Managing Director/Whole Time Director/Manager made during the financial year.
16. The company has not appointed any sole-selling agent during the period.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/ or such other authorities prescribed under the various provisions of the act.



18. The Directors have disclosed their interest in other firms / companies to the board to directors pursuant to the provisions of the act and the rules made there under.
19. The Company has not issued any shares and debentures during the period.
20. The Company has not bought back shares during the period.
21. There was no redemption of preference shares or debentures during the period.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited /accepted any public deposit including any unsecured loans falling within the purview of section 58A during the period.
24. The Company has complied with the requirements of the provisions of sections 293(1)(d) of the Act.
25. The Company has not provided any loan or made investments or advances or given guarantee or providing securities to other bodies corporate pursuant to section 372A of the Companies Act, 1956.
26. The Company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one to another state during the period under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the company during the period under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to name of the company during the period under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the company during the period under scrutiny.
30. The Company has not altered its articles of association during the period.
31. There was no prosecution initiated against or show cause notices received by the company during the period, for offences under the act.
32. The company has not received any sum as security from its employees during the period under certification.
33. The company has not deducted any contribution towards provident fund during the period so the provisions of section 418 of the Act are not applicable to the company.

Place: Kolkata  
Dated: 21/05/2012



  
DHIRAJ KUMAR JHA  
C. P. NO. 10885

**Annexure – 'A'**

**Registers Maintained by the Company:**

1. Register of Members under section 150.
2. Register of Debenture under section 152 (2).
3. Register of Transfer under section 108.
4. Minutes book of Board of Directors Meeting and General Meeting under section 193.
5. Register of Contracts under section 301.
6. Register of Directors under section 303.
7. Register of Directors shareholding under section 307.
8. Registers of charges under section 143.

**Annexure – 'B'**

**List of forms & return filed by the Company with the Registrar of Company, Regional Directors, Central Government & other authorities during the year ended 31<sup>st</sup> March, 2012.**

1. Form 32 dated 07/04/2011 filed u/s 264 and 303(2) on 23/04/2011.
2. Form 32 dated 30/09/2011 filed u/s 303(2) on 28/10/2011.
3. Form 32 dated 30/01/2012 filed u/s 303(2) on 24/02/2012.
4. Form 20B dated 30/09/2011 filed u/s 159 on 28/11/2011.
5. Form 23AC XBRL & 23ACA XBRL 31/03/2011 filed u/s 220 on 20/12/2011.
6. Form 66 dated 31/03/2011 filed u/s 383A on 24/10/2011.



AUDITORS' REPORT

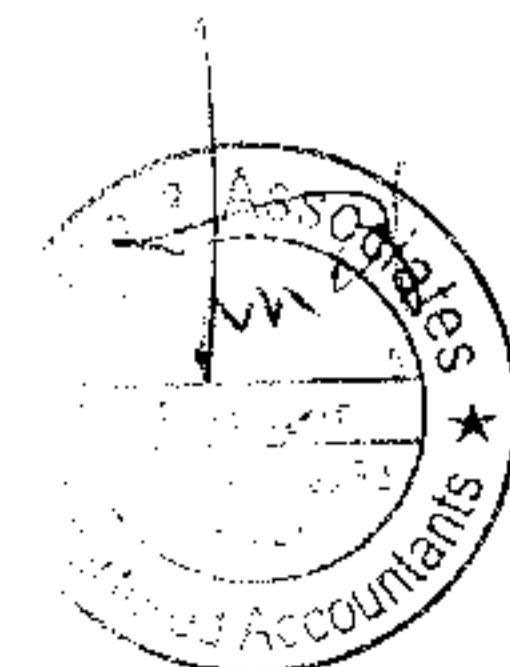
To  
The Members  
Kanchan Janga Integrated Infrastructure Development Pvt. Ltd.

We have audited the attached Balance Sheet of M/s.Kanchan Janga Integrated Infrastructure Development Pvt. Ltd. as at 31<sup>st</sup> March,2012 and cash flow statement for the period ended on that date, no Profit & Loss Account of the Company for the period ended on that date having been prepared (Refer Note 2.1 of Schedule 10). These financial statements are the responsibilities of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards, generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

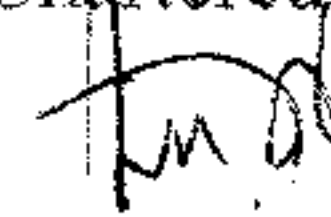
We report as follows :

- 1) As required by the Companies (Auditors' Report) Order,2003 (as amended) issued by the Central Government of India in terms of Sec.227(4A) of the Companies Act,1956 & on the basis of such checks as we considered appropriate, and according to the information and explanations given to us. We enclose in the annexure a Statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2) Further to our comments in the Annexure referred to in paragraph (1) above ;
  - 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 accounts, as required by law have been kept by the company so far as appears from our examination of the books :
  - c) The Balance Sheet and the Cash Flow Statement dealt with by this report are in agreement with the Books of Accounts.
  - d) In our opinion, the Balance Sheet and the Cash Flow Statement dealt with by this report complies with the Accounting standards referred to in Sub Section (3C) of Section 211 of the Companies Act,1956, to the extent applicable.



- e) On the basis of written representations received from the directors and taken on record by the Board of Directors, we report that no director is disqualified from being appointed as Director of the Company under Clause (g) of Sub-Section 1 of Section 274 of the Companies Act,1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes as per Schedule '10' annexed give the information required by the Companies Act,1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2012;
  - ii) in the case of Cash Flow Statement, of the Cash Flow of the company as at 31<sup>st</sup> March 2012. .

For KPMB & Associates  
Chartered Accountants

  
P.Sen Roy

Managing Partner

Membership No.015235



Dated: 25.05.2012

Place: Kolkata

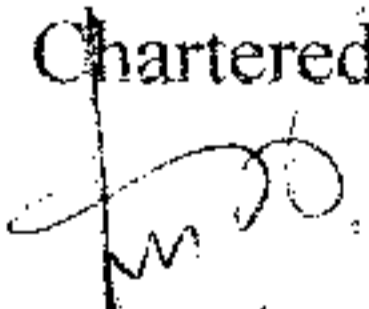


Annexure to the Auditors' Report

Referred to in paragraph 1 of or Report of even date.

With reference to the annexure referred to in paragraph (1) of the Auditors' Report to the Members of M/s.Kanchan Janga Integrated Infrastructure Development Pvt. Ltd. on the financial statements for the year ended 31<sup>st</sup> March,2012, we report the following:

- (i) The Company has maintained proper records showing full particulars including quantitative details of its fixed assets.
- (ii) The physical verification of Fixed Assets, as stated by Management has been conducted and there are no discrepancies.
- (iii) None of the Fixed assets has been disposed of during the year.
- (iv) As there are no Inventories during the year/year end, we are not required to comment on this.
- (v) The Company has taken unsecured loan from/to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act,1956 has taken loan from Shristi Infrastructure Development Corporation Ltd.
- (vi) In our opinion and according the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business.
- (vii) According to the information and explanations given to the transactions made in pursuance of contracts or arrangement entered in the Register maintained under section 301 of the Companies Act,1956 and aggregating during the year to Rs.5,00,000/- or more in respect of each party have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (viii) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.
- (ix) Our comments, on matters given herein above are to the extent applicable to the company for the year under review.

For KPMB & Associates  
Chartered Accountants  
  
P.Sen Roy  
Managing Partner  
Membership No.015235

Dated: 25.05.2012

Place: Kolkata

**Kanchan Janga Integrated Infrastructure Development Private Limited**

**Balance Sheet as at March 31, 2012**

|   | Note<br>No. | As at 31.03.2012<br>Amount (in Rs.) | As at 31.03.2011<br>Amount (in Rs.) |
|---|-------------|-------------------------------------|-------------------------------------|
| <b>EQUITY &amp; LIABILITIES</b>                   |             |                                     |                                     |
| <b>Shareholders' Funds</b>                        |             |                                     |                                     |
| Share Capital                                     | 2           | 5,000,000                           | 5,000,000                           |
| <b>Non-Current Liabilities</b>                    |             |                                     |                                     |
| Long term borrowings                              | 3           | 121,300,000                         | 121,302,481                         |
| Long term Provisions                              | 4           | 698,193                             | 403,000                             |
| <b>Current Liabilities</b>                        |             |                                     |                                     |
| Trade payable                                     |             | 9,892,402                           | 59,977                              |
| Other Current liabilities                         | 5           | 127,425,754                         | 66,429,813                          |
| Short term Provisions                             | 6           | 145,916                             | 145,916                             |
|   |             | <b>264,462,265</b>                  | <b>193,341,187</b>                  |
| <b>ASSETS</b>                                     |             |                                     |                                     |
| <b>Non-Current Assets</b>                         |             |                                     |                                     |
| Tangible Assets                                   | 7           | 80,632                              | 85,400                              |
| Development right                                 |             | 116,402,819                         | 105,056,288                         |
| Other Non Current Assets                          | 8           | 294,290                             | 294,290                             |
|   |             | <b>116,777,741</b>                  | <b>105,435,978</b>                  |
| <b>Current Assets</b>                             |             |                                     |                                     |
| Inventories                                       | 9           | 113,598,754                         | 60,583,547                          |
| Trade Receivables                                 |             | -                                   | -                                   |
| Cash and cash equivalents                         | 10          | 33,153,944                          | 27,250,835                          |
| Short loans & advances                            | 11          | 931,827                             | 70,827                              |
|   |             | <b>147,684,525</b>                  | <b>87,905,209</b>                   |
|   |             | <b>264,462,265</b>                  | <b>193,341,187</b>                  |
| <b>Summary of significant accounting policies</b> | 1           |                                     |                                     |

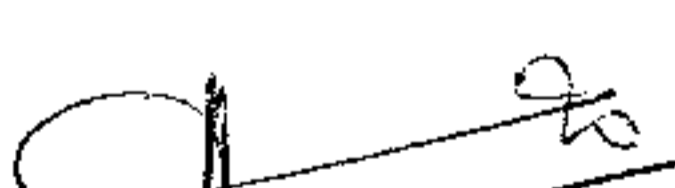
The accompanying notes are an integral part of the financial statements


As per our report of even date

**KPMB & Associates**  
Chartered Accountants  
  
**C A Partha Sarathi Sen Roy**  
Partner

Place : Kolkata  
Date : 25.05.2012.

For and on Behalf of the Board

 Director

 Director

**Kanchan Janga Integrated Infrastructure Development Private Limited**


**Statement of Profit & Loss Statement for the Year ended March.31 2012**

|   | Note<br>No. | Year ended<br>March 31,2012<br>( Rs. ) | Year ended<br>March 31, 2011<br>( Rs. ) |
|---|-------------|--|---|
| <b>INCOME</b>   |             |  |   |
| Revenue from operations                                     |             | -                                      | -                                       |
| Other Income  |             | -                                      | -                                       |
| <b>Total Revenue (I)</b>                                    |             | -                                      | -                                       |
| <b>EXPENSES</b>   |             |  |   |
| (Increase)/Decrease in Stock                                | 12          | (53,015,207)                           | (32,198,720)                            |
| Direct Project Expenses                                     | 13          | 21,064,612                             | 4,441,930                               |
| Employee benefit expense                                    | 14          | 6,778,730                              | 4,672,710                               |
| Finance cost  | 15          | 16,455,527                             | 17,030,114                              |
| Depreciation and amortization expense                       | 7           | 4,768                                  | 69,231                                  |
| Other expenses  | 16          | 8,711,570                              | 5,984,735                               |
| <b>Total Expenses (II)</b>                                  |             | -                                      | -                                       |
| <b>Profit/(Loss) before tax</b>                             |             | -                                      | -                                       |
| <b>Tax Expenses</b>   |             |  |   |
| - Current tax   |             |  |   |
| - Earlier tax   |             |  |   |
| - Deferred tax  |             |  |   |
| <b>Total tax expenses</b>                                   |             | -                                      | -                                       |
| <b>Profit/(Loss) for the year</b>                           |             | -                                      | -                                       |
| <b>Earning per Equity Share (Face value of Rs. 10 each)</b> |             |  |   |
| (1) Basic   |             |  |   |
| (2) Diluted   |             |  |   |

**Summary of significant accounting policies**

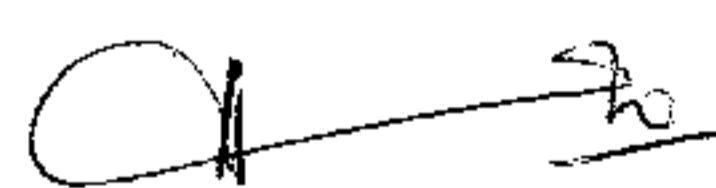
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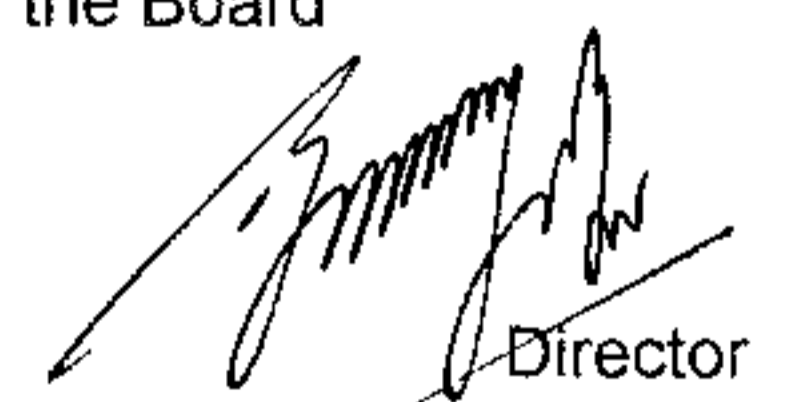
As per our report of even date

**KPMB & Associates**  
Chartered Accountants  
  
**C A Partha Sarathi Sen Roy**  
Partner



For and on Behalf of the Board

  
Director

  
Director


Place : Kolkata  
Date : 25.05.2012

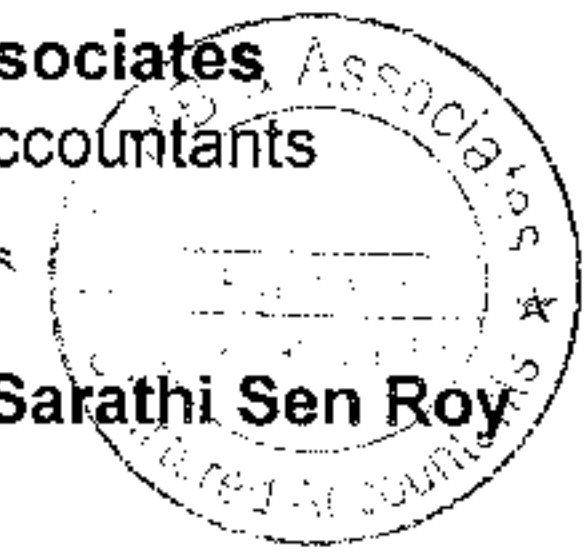
**Kanchan Janga Integrated Infrastructure Development Private Limited**  
**Cash Flow Statement Annexed to the Balance Sheet for the 31st March, 2012**

| Particulars   | Year Ended<br>31.03.2012<br>Amount (Rs.) | Year Ended<br>31.03.2011<br>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                                   |  |  |
| Operating Profit Before Working Capital Changes                         | -  | -  |
| Adjustments for:  |  |  |
| Increase /( Decrease) in Trade Receivable                               | -  | -  |
| Increase /( Decrease) in Inventories                                    | (53,015,207)                             | (32,198,721)                             |
| (Increase) / Decrease in short term loans & advances                    | (861,000)                                | (143,260)                                |
| Increase / (Decrease) in Trade Payable                                  | 9,832,425                                | 63,383,846                               |
| Increase / (Decrease) in other current liabilities                      | 60,995,941                               |  |
| Long term Provisions  | 295,193                                  |  |
| <b>Net Cash From Operating Activities</b>                               | <b>17,247,352</b>                        | <b>31,041,865</b>                        |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                           |  |  |
| Purchase of Fixed Assets  | 4,768                                    | (21,049)                                 |
| Purchase of Development Rights  | (11,346,531)                             | -  |
|   | <b>(11,341,763)</b>                      | <b>(21,049)</b>                          |
| <b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>                          |  |  |
| Receipt of Borrowings   | (2,481)                                  | (4,220,590)                              |
| Increase / (Decrease) in Share Capital                                  | -  | -  |
|   | <b>(2,481)</b>                           | <b>(4,220,590)</b>                       |
| <b>D. Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b> | <b>5,903,108</b>                         | <b>26,800,226</b>                        |
| Opening Cash and cash equivalents                                       | 27,250,835                               | 450,609                                  |
| Closing Cash and cash equivalents                                       | 33,153,943                               | 27,250,835                               |
| <b>Closing Cash and cash equivalents as per Balance Sheet</b>           | <b>33,153,944</b>                        | <b>27,250,835</b>                        |

The accompanying notes are an integral part of the financial statements


As per our report of even date


**KPMB & Associates**  
Chartered Accountants  
  
**C A Partha Sarathi Sen Roy**  
Partner



Place : Kolkata  
Date : 25.05.2012

For and on behalf of Board of Directors

  
Director

  
Director

**Kanchan Janga Integrated Infrastructure Development Private Limited**

Notes to financial statements for the year ended 31st March, 2012

As at 31.03.2012      As at 31.03.2011  
Amount (in Rs.)      Amount (in Rs.)

**1) SIGNIFICANT ACCOUNTING POLICIES**

**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.

**Revenue Recognition**

Income from construction activities shall be provided on the basis of percentage of completion method, if completion of project is more than 20% of the project cost.

**Retirement Benefit**

Retirement Benefit with respect to gratuity and leave encashment is provided in the books of accrual basis.

**Fixed Assets**

Fixed Assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation has been provided on WDV method as per Companies Act, 1956.

Development rights for land are amortised in proportion to the percentage of completion of the total project.

**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.

**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.

**2) Share Capital**

**Authorised and Issued Share Capital**

|   |           |           |
|---|-----------|-----------|
| 5,00,000 Equity Shares of Rs. 10/- each | 5,000,000 | 5,000,000 |
|   | 5,000,000 | 5,000,000 |

**Paid up Share Capital**

|  |           |           |
|--|-----------|-----------|
| 5,00,000 Equity Shares of Rs. 10/- each fully paid up<br>(Out of above 369700 Eqity Shares held by<br>Shristi Housing Development Private Limited - Holding Co.) | 5,000,000 | 5,000,000 |
|  | 5,000,000 | 5,000,000 |

1) 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.

2) Shares held by its holding company M/S Shrsiti Housing Development Private Limited, the ultimate holding company Shristi Infrastructure Development Limited.

369,700

369,700

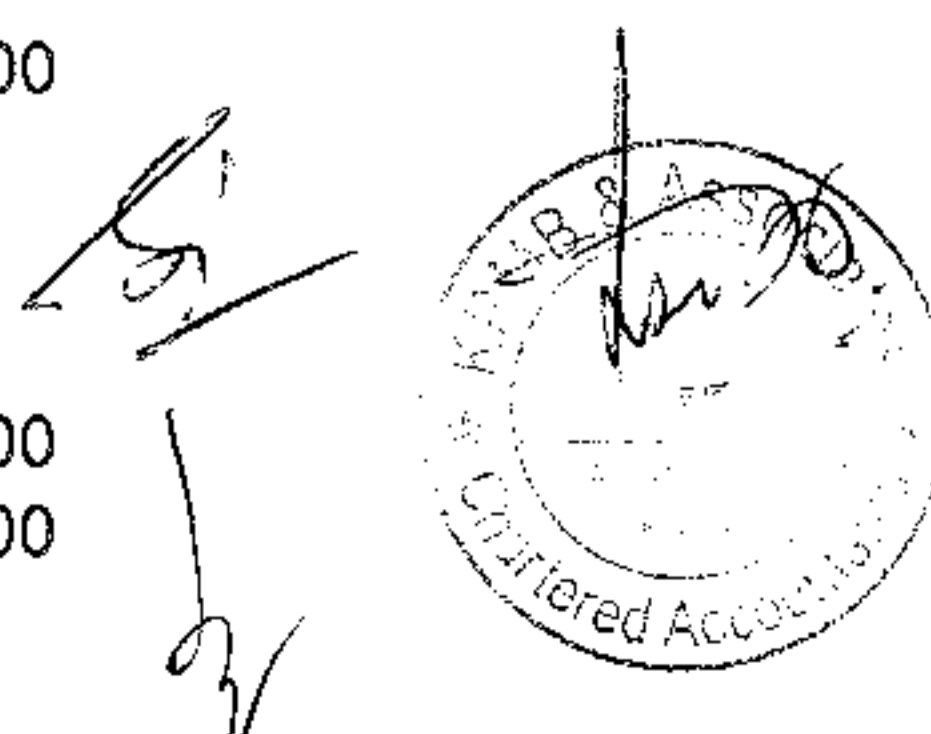
3) Shareholder holding more than 5% of the total shares-  
Shristi Housing Development Private Limited  
West Bengal Industrial Infrastructure Development Corp

369,700

130,000

369,700

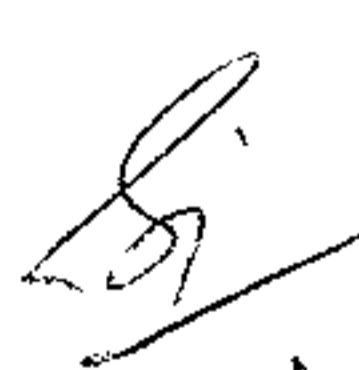


130,000



Kanchan Janga Integrated Infrastructure Development Private Limited

Notes to financial statements for the year ended 31st March, 2012

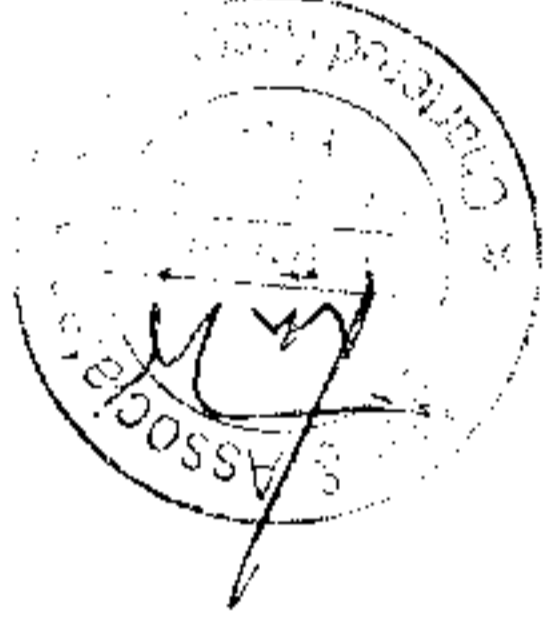
|                                    | As at 31.03.2012<br>Amount (in Rs.) | As at 31.03.2011<br>Amount (in Rs.) |
|------------------------------------|-------------------------------------|-------------------------------------|
| <b>3) Long Term Borrowings</b>     |                                     |                                     |
| <b>Unsecured</b>                   |                                     |                                     |
| 14% Non Convertible Debenture      | 121,300,000                         | 121,300,000                         |
| From Holding Company               | -                                   | 2,481                               |
|                                    | <b>121,300,000</b>                  | <b>121,302,481</b>                  |
| <b>4) Long Term Provisions</b>     |                                     |                                     |
| Provision for Gratuity             | 303,023                             | 147,000                             |
| Provision for Leave Encashment     | 395,170                             | 256,000                             |
|                                    | <b>698,193</b>                      | <b>403,000</b>                      |
| <b>5) Other Current Liabilites</b> |                                     |                                     |
| Liability For Expenses             | 630,968                             | 79,389                              |
| Interest Accrued But Not Due       | 30,007,600                          | 14,723,800                          |
| income received in advance         | 93,368,050                          | 48,804,625                          |
| Other Liabilities                  | 3,419,136                           | 2,821,999                           |
|                                    | <b>127,425,754</b>                  | <b>66,429,813</b>                   |
| <b>6) Short Term Provisions</b>    |                                     |                                     |
| Provision for LTA                  | 66,763                              | 66,763                              |
| Provision for Ex-gratia            | 79,153                              | 79,153                              |
|                                    | <b>145,916</b>                      | <b>145,916</b>                      |

Tangible Assets

| PARTICULARS         | As at      | As at      | Deduction    | As at      | As at      | Depn. for | Adj. for | As at      | As At      | As At      |
|---------------------|------------|------------|--------------|------------|------------|-----------|----------|------------|------------|------------|
|                     | 01.04.2011 | 31.03.2012 |              | 31.03.2012 | 01.04.2011 | the year  | the year | 31.03.2012 | 31.03.2012 | 01.04.2011 |
| GROSS BLOCK         |            |            | DEPRECIATION |            |            |           |          |            |            |            |
| Computer            | 127,687    | -          | -            | 127,687    | 81,524     | 692       | -        | 82,216     | 45,471     | 46,163     |
| Office Equipment    | 18,890     | -          | -            | 18,890     | 3,333      | 2,297     | -        | 5,630      | 13,260     | 15,557     |
| Furniture & Fixture | 29,600     | -          | -            | 29,600     | 5,920      | 1,779     | -        | 7,699      | 21,901     | 23,680     |
| Total               | 176,177    | -          | -            | 176,177    | 90,777     | 4,768     | -        | 95,545     | 80,632     | 85,400     |
| Previous Years      | 85,897     | 90,280     | -            | 176,177    | 21,546     | 69,231    | -        | 90,777     | 85,400     | 64,351     |
| NET BLOCK           |            |            |              |            |            |           |          |            |            |            |
| NET BLOCK           |            |            |              |            |            |           |          |            |            |            |

(Amount in Rs.)

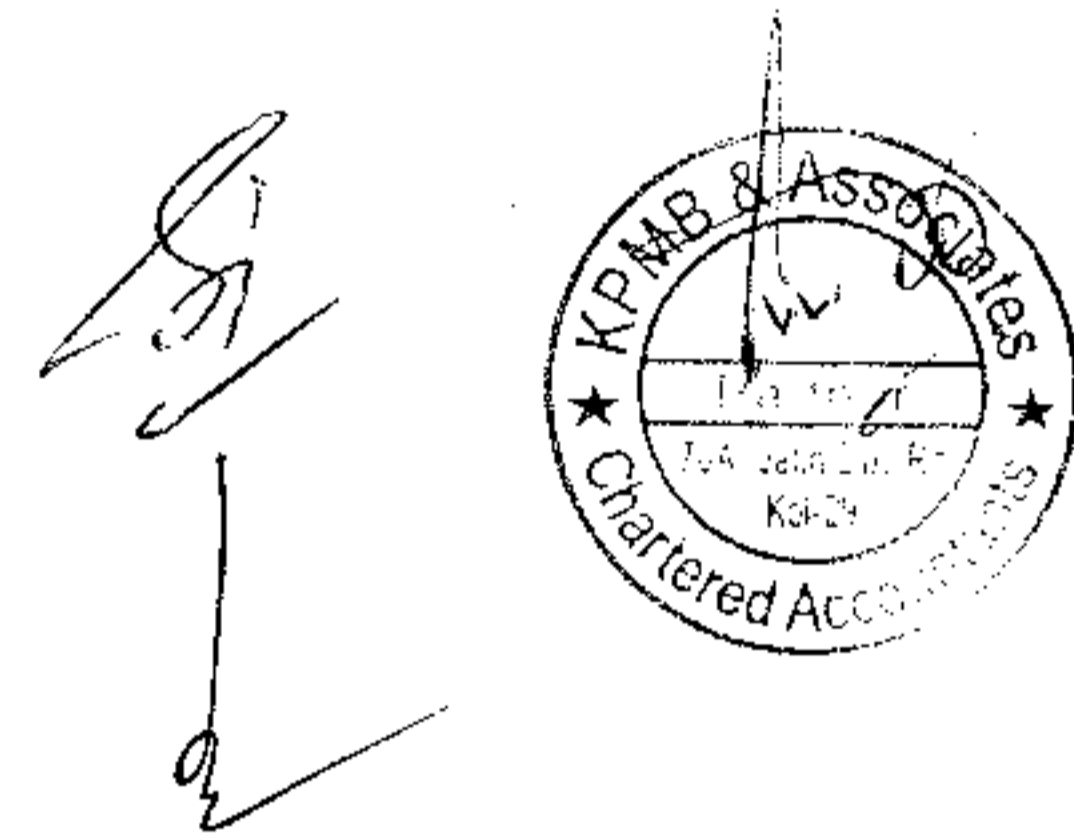


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Kanchan Janga Integrated Infrastructure Development Private Limited

Notes to financial statements for the year ended 31st March, 2012

|  | Year ended<br>31.03.2012<br>Amount (in Rs.) | Year ended<br>31.03.2011<br>Amount (in Rs.) |
|--|---|---|
| <b>8) Other Non Current Assets</b>     |   |   |
| Preliminary Expenses.                  | 120,290                                     | 120,290                                     |
| Security Deposit                       | 174,000                                     | 174,000                                     |
|  | <b>294,290</b>                              | <b>294,290</b>                              |
| <b>9) Inventories</b>                  |   |   |
| Development Work In Progress           | 113,598,754                                 | 60,583,547                                  |
|  | <b>113,598,754</b>                          | <b>60,583,547</b>                           |
| <b>10) Cash &amp; Bank Equivalents</b> |   |   |
| Balance with Scheduled Banks           |   |   |
| - in Current Accounts                  | 13,133,161                                  | 27,220,945                                  |
| - in Fixed Deposit Account             | 20,000,000                                  | -   |
| Cash in Hand                           | 20,783                                      | 29,890                                      |
|  | <b>33,153,944</b>                           | <b>27,250,835</b>                           |




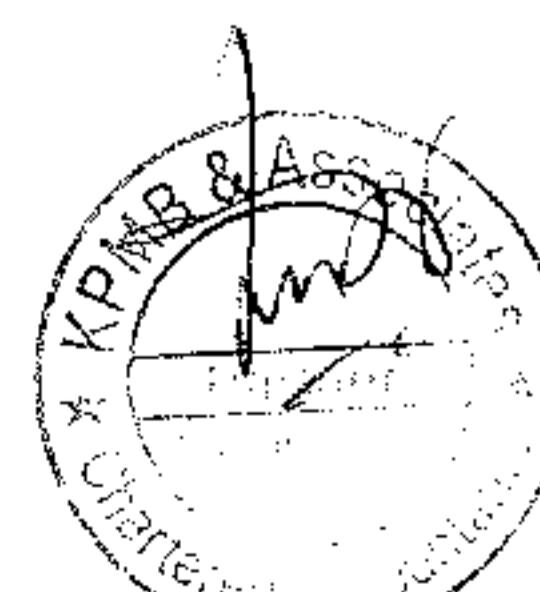
The image shows a handwritten signature on the left and a circular professional stamp on the right. The stamp is for KPMB & Associates, Chartered Accountants, with the text 'KPMB & Associates' around the top and 'Chartered Accountants' around the bottom. Inside the circle, there is a star and some smaller text that is partially obscured.



Kanchan Janga Integrated Infrastructure Development Private Limited

Notes to financial statements for the year ended 31st March, 2012

|   | Year ended<br>31.03.2012<br>Amount (in Rs.) | Year ended<br>31.03.2011<br>Amount (in Rs.) |
|---|---|---|
| <b>11) Short loans &amp; advances</b>                           |   |   |
| Advances recoverable in cash or in kind or value to be received | 313,477                                     | 59,260                                      |
| Prepaid Expense   | 6,757                                       | -   |
| TDS Receivable  | 162,801                                     | 11,567                                      |
| Interest on FD Receivable                                       | 448,792                                     | -   |
|   | <b>931,827</b>                              | <b>70,827</b>                               |
| <b>12) INCREASE/ (DECREASE) IN STOCK</b>                        |   |   |
| Closing Stock:  |   |   |
| Development Work in Progress                                    | 113,598,754                                 | 60,583,547                                  |
| Less: Opening Stock:  |   |   |
| Development Work in Progress                                    | 60,583,547                                  | 28,384,827                                  |
|   | <b>53,015,207</b>                           | <b>32,198,720</b>                           |
| <b>13) Direct Project Expenses</b>                              |   |   |
| Construction Cost   | 20,284,287                                  | 4,079,651                                   |
| Purchases   | -   | 99,101                                      |
| Sanitary & Plumbing   | 21,800                                      | -   |
| Insurance Premium   | 7,582                                       | -   |
| Site Office Expenses  | 186,878                                     | -   |
| Electrical Item   | 411,740                                     | -   |
| Electrical Work   | 72,885                                      | -   |
| Electricity Charges Site  | 79,440                                      | 263,178                                     |
|   | <b>21,064,612</b>                           | <b>4,441,930</b>                            |
| <b>14) Employee Benefit Expense</b>                             |   |   |
| Salary, Incentive, Ex gratia etc                                | 4,838,148                                   | 3,217,302                                   |
| Conveyance and Other Allowances                                 | 1,645,389                                   | 1,147,352                                   |
| Gratuity and Leave encashment                                   | 295,193                                     | 308,056                                     |
|   | <b>6,778,730</b>                            | <b>4,672,710</b>                            |
| <b>15) Finance Cost</b>   |   |   |
| Bank Charges  | 1,039,780                                   | 4,190                                       |
| Interest Paid   | 16,982,000                                  | 17,025,924                                  |
| less, Interest Income   | (1,566,253)                                 | -   |
|   | <b>16,455,527</b>                           | <b>17,030,114</b>                           |

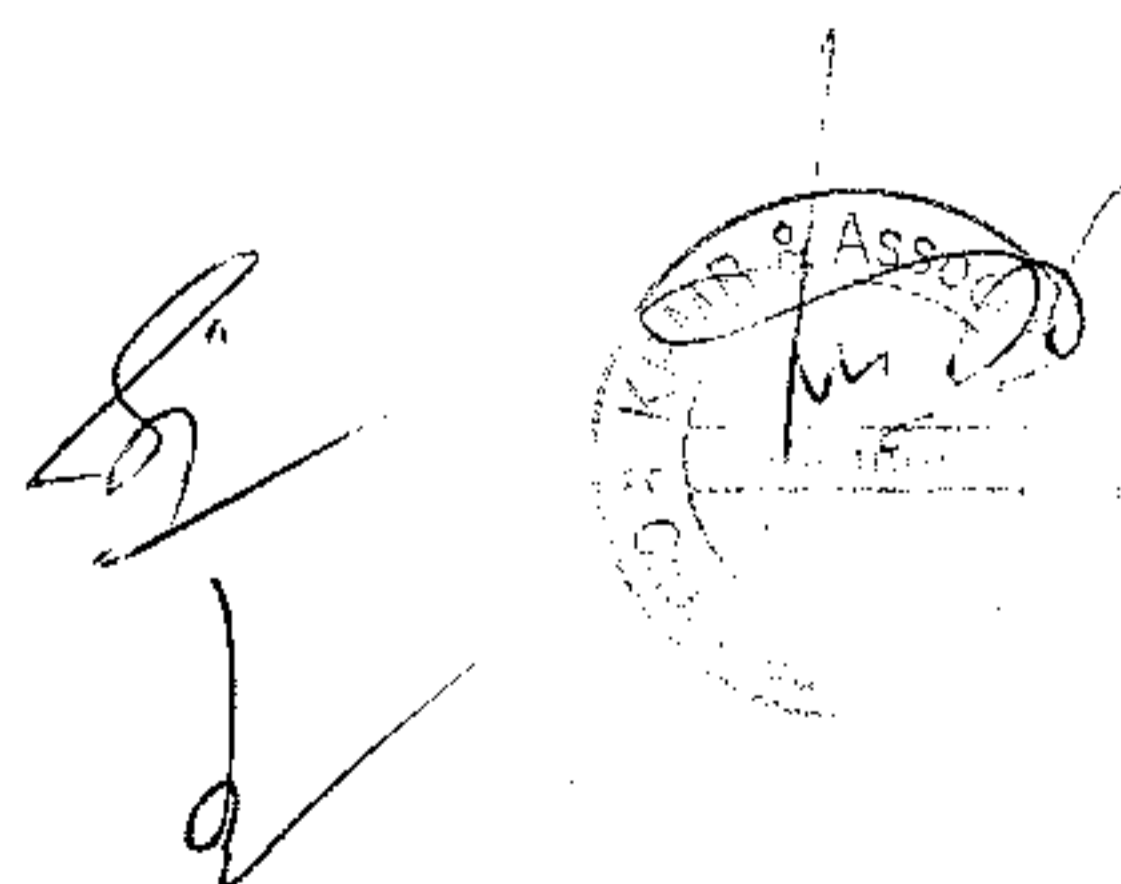



**Kanchan Janga Integrated Infrastructure Development Private Limited**

**Notes to financial statements for the year ended 31st March, 2012**

|                                | Year ended<br>31.03.2012<br>Amount (in Rs.) | Year ended<br>31.03.2011<br>Amount (in Rs.) |
|--------------------------------|---|---|
| <b>16) Other Expenses</b>      |   |   |
| Audit Fees                     | 9,000                                       | 9,000                                       |
| Advertisement Charges          | 1,346,327                                   | 1,045,855                                   |
| Rent                           | 360,000                                     | 225,000                                     |
| Business Promotion             | 63,494                                      | 161,846                                     |
| Car Hire & Running Exp         | 335,257                                     | 431,148                                     |
| Filing Fees                    | 4,493                                       | 5,774                                       |
| General Expenses               | 175,741                                     | 162,618                                     |
| Printing & Stationary          | 21,875                                      | 41,281                                      |
| Professional Fees              | 3,653,708                                   | 1,715,319                                   |
| Service Tax                    | 512,398                                     | 240,458                                     |
| Legal Expenses                 | -   | 2,400                                       |
| Rates & Taxes                  | 40,100                                      | 12,850                                      |
| Service Charges                | 1,460                                       | 6,910                                       |
| Telephone Expenses             | 121,381                                     | 90,899                                      |
| Testing Charges                | -   | 67,250                                      |
| EDP Charges                    | 500   | 9,825                                       |
| Medical Expenses Reimbursement | 140,299                                     | 40,434                                      |
| Office Maintenance             | -   | 38,382                                      |
| Repairs & Maintenance          | 2,860                                       | -   |
| Postage & telegram             | 12,555                                      | 3,259                                       |
| Travelling & Coveyance exp     | 1,897,861                                   | 1,668,607                                   |
| Miscellaneous Expenditure      | 12,261                                      | 5,620                                       |
|                                | <b>8,711,570</b>                            | <b>5,984,735</b>                            |

- 17) The Company had entered into a development agreement with M/S West Bengal Industrial Development Corporation dated 6th July 2009. According to the said agreement, the company will develop an integrated industrial hub at Fatapukur as per terms & conditions mentioned in the said agreement.
- 18) Since the company has completed its construction activities below 20% of the total project, all the expenses are treated as Construction Work In Progress.
- 19) During the year the company is not having any profit/loss. Accordingly disclosure required under AS 20 with respect to EPS is not given.
- 20) Contingent liabilities not provided for – NIL.
- 21) 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.



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**Kanchan Janga Integrated Infrastructure Development Private Limited**

**Notes to financial statements for the year ended 31st March, 2012**

| Year ended<br>31.03.2012<br>Amount (in Rs.) | Year ended<br>31.03.2011<br>Amount (in Rs.) |
|---|---|
|---|---|

**22) Related Party Transactions:**

As per Accounting Standard – 18 issued by companies ICAI, the Company's related parties and transactions are discussed below:

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

**Joint Venture company of Reporting Enterprise:** West Bengal Industrial Infrastructure Development Corporation.  
  
Shristi Housing Development Private Limited  
(Formerly Known as Srivasa Infra Pvt Ltd)

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


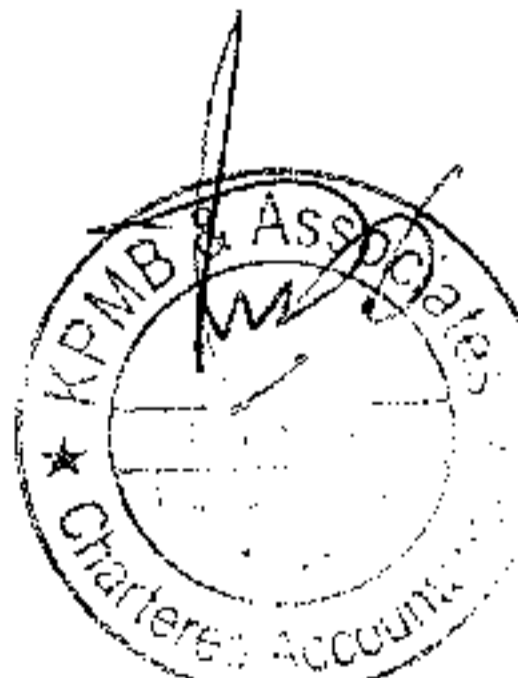
**Key Management Personnel** Mr. Sunil Jha - Director  
Mr. Rahul Verma – Director

**c. Transactions with related parties**

Holding Company (SHDPL)

**Nature of Expenses -**

|                               |             |             |
|-------------------------------|-------------|-------------|
| Share Capital                 | 3,697,000   | 3,697,000   |
| 14% Non-Convertible Debenture | 121,300,000 | 121,300,000 |
| Unsecured Loan                |             |             |
| Opening balance               | -           | 4,220,590   |
| Received during the year      | -           | 19,600,000  |
| Paid during the year          | -           | 23,820,590  |
| Closing Balance               | -           | -           |
| Interest Paid                 | 16,982,000  | 16,982,000  |

23) The company has entered into a Development Rights agreement with its JV partner WBIIDC on 6 July, 2009 for development of 124.50 acres of land near Fatapukur in the district of Jalpaiguri, West Bengal for a period of 99 years. The total amount payable to them towards the value of Development Rights is Rs. 20,59,92,720/- which is paid / payable as follows :-

| Particulars     | Amount (Rs)               | Due date              |
|-----------------|---------------------------|-----------------------|
| Upfront payment | 105,056,287               | Paid on 04.07.2009    |
| 1st installment | 10,299,636                | Paid on 07.07.2011    |
| 2nd installment | 10,299,636                | Payable on 05.07.2011 |
| 3rd installment | 10,299,636                | Payable on 05.07.2012 |
| 4th installment | 20,599,272                | Payable on 05.07.2013 |
| 5th installment | 49,438,253                | Payable on 05.07.2014 |
| <b>Total</b>    | <b><u>205,992,720</u></b> |                       |

24) During the year ended 31st March, 2012, the revised Schedule VI notified under the Companies Act, 1956 has become applicable to the company for preparation and presentation of its financial statements. The company has also reclassified the previous year's figures in accordance with the requirement applicable in the current year.

25) Previous year figures have been regrouped / rearranged wherever necessary.

As per our attached Report of even date

**KPMB & Associates**  
Chartered Accountants

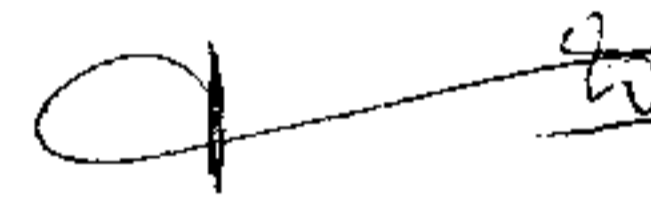
**C A Partha Sarathi Sen Roy**


Partner

Place : Kolkata

Date : 25.05.2012

For and on Behalf of the Board

  
Director

  
Director