



H. R. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS

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Independent Auditor's Report to the Members of Medi-Net Services Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Medi-Net Services Private Limited** ("the Company") which comprise the Balance Sheet as at 31 March 2015 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

The Company's Board Of Directors is responsible for the matters stated in 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of the financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting 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 preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of 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 there under.

AS

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 controls 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 Directors, 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 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:

- i. in the case of the balance sheet, of the state of affairs of the Company as at 31st March 2015 and
- ii. in the case of the cash flow statement, of the cash flows for the year ended on that date.

RS

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a. we have sought & 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 it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014;
 - e. on the basis of written representations received from the directors as on 31 March 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015, from being appointed as a director in terms of Section 164 (2) of the Act; and

For **H R Agarwal and Associates**

Chartered Accountants

Firm's registration number: 323029E

Agarwal

(Shyam Sundar Agarwal, FCA)

Partner

Membership number: FCA 060033

Place: Kolkata

Date: 25th May, 2015

Annexure to Independent Auditors' Report

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31st March 2015. We report that:

- i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

(b) All the Fixed Assets have been physically verified by the management in the phased periodical manner, which in our opinion is reasonable having regard to the size of the company and the nature of its Assets. No material discrepancies were noticed on such verification.
- ii) In our opinion and according to the information and explanation given to us, the company has not purchased /sold goods during the year nor is there any opening stocks, requirement of reporting on physical verification of stocks or maintenance of inventory records, does not arise.
- iii) The company has not granted any loan secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- iv) In our opinion and according to the information and explanations given to us, we report that the company's activities do not include purchase of inventory, and sale of goods and services. Further, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regards to purchase of fixed assets. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public in pursuance to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi) Provisions relating to maintenance of cost records as prescribed by the Central Government u/s 148 (1) of the Companies Act, 2013, in our opinion are not applicable to the company.
- vii) a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, service tax, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth-tax, custom duty, excise duty, value added tax, cess and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, service tax, wealth-tax, sales tax, custom duty, excise duty or value added tax and cess were in arrears, as at 31st March, 2015 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 are no dues of sales tax, income tax, service tax, customs duty, wealth tax, excise duty or value added tax and cess, which have not been deposited on account of any dispute.
- c) No amount is required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under.
- viii) The company does not have accumulated losses at the end of financial year 2014-15 and the company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- ix) In our opinion and according to the information and explanations given to us, there are no dues payable to financial institution or bank or debenture holders.
- x) In our opinion and according to the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.
- xi) According to the information and explanations given to us, no term loan has been raised by the company.
- xii) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For H R Agarwal and Associates

Chartered Accountants

Firm's registration number: 323029E

Agarwal,

(Shyam Sundar Agarwal, FCA)

Partner

Membership number: FCA 060033

Place: Kolkata

Date: 25th May, 2015

Medi-Net Services Pvt. Ltd.

CIN NO - U72200WB2007PTC117940

Balance Sheet as at Mar 31, 2015

	Note No.	As at 31.03.2015 Amount (in Rs.)	As at 31.03.2014 Amount (in Rs.)
EQUITY & LIABILITIES			
Shareholders' Funds			
Share Capital	2	400,000	400,000
Current Liabilities			
Short term borrowings	3	29,481,855	29,455,451
Other Current Liabilities	4	105,160	103,382
Total		29,987,015	29,958,833
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets- Land		28,968,058	28,968,058
Capital Working Progress	5	870,309	653,187
Current assets			
Cash and cash equivalents	6	105,625	331,161
Short term loans and advances	7	43,023	6,427
Total		29,987,015	29,958,833

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 H. R. Agarwal & Associates

Chartered Accountants

Firm Reg No :- 323029E

Agarwal

(CA Shyam Sundar Agarwal)

Partner

Membership No.FCA 060033

Date : 25.05.2015

Place : Kolkata

For and on Behalf of the Board

Abhishek Bhardwaj
Abhishek Bhardwaj
Director
DIN: 03459739

Shankar Mukherjee
Shankar Mukherjee
Director
DIN: 01918561

Medi-Net Services Pvt. Ltd.
CIN NO - U72200WB2007PTC117940

Cash Flow Statement Annexed to the Balance Sheet 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 ACTIVITES		
Operating Profit Before Working Capital Changes		
Adjustments for:		
Decrease in loans & advances	(36,596)	(6,427)
Increase / (Decrease) in Other Current liabilities	1,778	14,592
Net Cash From Operating Activities	(34,818)	8,165
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Increase) / Decrease in Other Non Current Assets	(217,123)	(416,091)
(Purchase)/ Sale of Fixed Assets	-	(1,873,959)
	(217,123)	(2,290,050)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt of short term Borrowings	26,404	2,552,951
	26,404	2,552,951
D. Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(225,537)	271,066
Opening Cash and cash equivalents	331,161	60,095
Closing Cash and cash equivalents	105,625	331,161
Closing Cash and cash equivalents as per Balance Sheet	105,625	331,161

Note:

1 Figures in brackets denote cash outflow

The accompanying notes are an integral part of the financial statements

As per our report of even date

For H. R. Agarwal & Associates

Chartered Accountants

Firm Reg No :- 323029E

Agarwal

(CA Shyam Sundar Agarwal)

Partner

Membership No.FCA 060033

Date : 25.05.2015

Place : Kolkata

For and on behalf of Board of Directors

Abhishek Bhardwaj
Abhishek Bhardwaj
Director
DIN: 03459739

Shankar Mukherjee
Shankar Mukherjee
Director
DIN: 01918561

1) SIGNIFICANT ACCOUNTING POLICIES:**Basis of Preparation of Financial Statements**

The Company prepares its financial statements in accordance with generally accepted accounting practices and also in accordance with requirements of Companies Act, 2013

Revenue Recognition

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

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 :**

50,000 Equity Shares of Rs.10/- each

500,000

500,000

Issued, Subscribed & Paid-Up:

40,000 Equity Shares of Rs.10/- each fully paid up

400,000

400,000

400,000

400,000

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. Dividend if any proposed by the Board of Directors is subject to approval of the share holders in the ensuing AGM.

2) Shares held by its holding company M/S Shristi housing development Ltd (SHDL), Shristi Infrastructure Development Corp Limited being the ultimate holding company.

30,000

30,000

3) Shareholder holding more than 5% of the total shares

SHDL
Ms. S S Noor
Mr. Isha Khan Choudhury

30,000

5,000

5,000

30,000

5,000

5,000

3) SHORT TERM BORROWINGS**Unsecured Loans**

-From Body Corporates (Shristi Housing Development Ltd)

29,481,855

29,455,451

29,481,855

29,455,451

4) Other Current Liabilities**Expenses payable**

H. R. Agarwal & Associates

7,865

12,960

Deepak Kumar Khaitan

1,124

Singhal Chetani & Co.

2,246

1,123

Rekha Agarwal

-

-

Problem Shooter's

1,200

10,300

ISHA KHAN CHOUDHURY

59,617

59,617

Other Expenses payable

8,550

8,550

Retention Money Payable

1,380

1,380

Service Tax Payable (RC)

17,653

6,427

TDS Contractors

-

-

TDS Professional

2,500

-

Other Liabilities

3,025

3,025

105,160

103,382

5) CAPITAL WORK IN PROGRESS

Preliminary Expenses.

-

-

Constraction Expenses

122,600

Survey work

27,603

27,603

Pre-Operative Expenses b/f

625,584

209,493

Bank Charges

-

42,848

Interest Expenses

-

1,985

Legal & Professional Charges

80,024

347,023

Audit Fee

7,865

6,742

Filing Fees

6,516

975

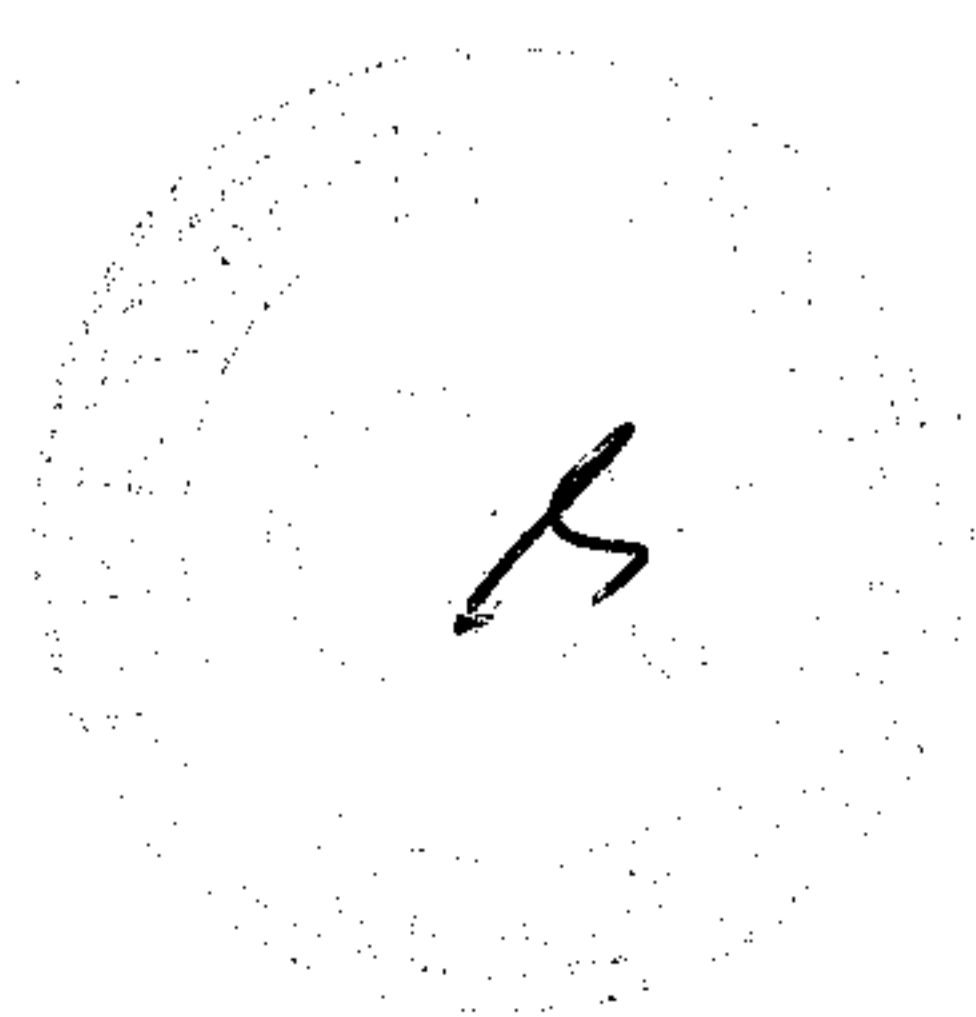
General Expenses

118

16,518

870,309

653,187



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	As At March 31, 2015 (Rs.)	As At March 31, 2014 (Rs.)
6) CASH AND CASH EQUIVALENTS		
Balances with Scheduled Banks - in Current Accounts	105,370	329,909
Cash-in-hand	255	1,252
	105,625	331,161
7) SHORT TERM LOANS AND ADVANCES		
Unsecured and Considered good		
Advances to staff and other	25,000	-
Service Tax Input	370	6,427
	25,370	6,427

8) The company is yet to commence the commercial operations, hence no Profit & Loss Account has been prepared.

9) The Company has not paid any Managerial remuneration to any of the Directors for the period.

10) Contingent liabilities : NIL

11) 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:

Shristi Housing Development Limited.

Holding company of Reporting Enterprise :

Key Management Person :

- a. Mr. Abhishek Bhardwaj, Director
- b. Mr. Shankar Mukherjee, Director

b. Transactions with Related parties

Holding Company :

Short Term Borrowing	26,404	2,552,951
Closing Balance as on 31.03.2015	29,481,855	29,455,451

12) The Company has identified real estate construction as its sole operating segment and the same has been treated as the primary segment. As such no separate segment information has been provided.

13) 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.

14) Previous year figures have been rearranged or regrouped wherever considered necessary.

As per our report of even date

For H. R. Agarwal & Associates

Chartered Accountants
 Firm Reg No :- 323029E

Sagarwal
 (CA Shyam Sundar Agarwal)
 Partner
 Membership No.FCA 060033

Date : 25.05.2015
 Place : Kolkata

For and on Behalf of the Board

Abhishek Bhardwaj
 Abhishek Bhardwaj
 Director
 DIN: 03459739

Shankar Mukherjee
 Shankar Mukherjee
 Director
 DIN: 01918561