

MEDI-NET SERVICES PRIVATE LIMITED

DIRECTORS' REPORT OF MEDI-NET SERVICES PRIVATE LIMITED FOR THE YEAR ENDED 31ST MARCH 2016

Dear Members,

Your Directors are pleased to present the Ninth Annual Report together with the Audited Financial Statements of your Company for period ended on 31st March 2016.

FINANCIALS RESULTS

The Company is yet to commence its commercial operation; therefore, the Statement of Profit & Loss has not been prepared during the year under review.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the end of the Financial Year to which this Financial Statement relates and the date of this report.

DETAILS OF BOARD MEETINGS HELD

During the Financial Year ended 31st March 2016, 4 (four) Board meetings were held on 25th May 2015, 21st September 2015, 31st December 2015 and 31st March 2016.

Except Mr. Isha Khan Chowdhury and Mrs. Syeda Saleha Nehar Noor, all Directors had attended the said meetings during the Financial Year. Further, Mr. Isha Khan Chowdhury and Mrs. Syeda Saleha Nehar Noor attended 1 (one) meeting during the year.

DIRECTORS

Mr. Shankar Mukherjee, Mr. Isha Khan Chowdhury, Mrs. Syeda Saleha Nehar Noor, Mr. Rahul Varma, Mr. Abhishek Bhardwaj and Mr. Siddharth Kumar Choudhury continue to be the Directors of the Company.

In accordance with the provisions of the Companies Act 2013, Mr. Isha Khan Chowdhury and Ms. Syeda Saleha Nehar Noor, Directors of the Company, retire by rotation at the ensuing Annual General of the Company and being eligible seeks reappointment.

None of the Directors of the Company is disqualified from being appointed as Directors pursuant to Section 164(2) of the Companies Act 2013.

AUDITORS

H. R. Agarwal & Associates, Chartered Accountants, was appointed as Statutory Auditors of the Company for a period of 5 years in the 7th Annual General Meeting ('AGM') of the Company held on 27th September 2014 till the conclusion of the 12th AGM of the Company, subject to ratification by members in every AGM. Hence, the Board of Directors recommends the shareholders, the ratification for appointment of H. R. Agarwal & Associates, Chartered Accountants, as Statutory Auditors of your Company for the financial year 2016-17.

CIN: U72200WB2007PTC117940

Reg. Office: Plot No.X-1, 2 & 3, Block-EP, Sector-V, Salt Lake City, Kolkata-700091, Phone: 033 4020 2020 Fax: 033 4020 2099

MEDI-NET SERVICES PRIVATE LIMITED

RISK MANAGEMENT

Your Company has appropriate risk management systems in place for identification and assessment of risks, measures to mitigate them, and mechanisms for their proper and timely monitoring and reporting.

DEPOSIT

During the year under review, your company had not accepted any deposits within the meaning of provisions of Chapter V Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules 2014.

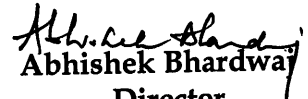
ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation to all the stakeholders for their continued co-operation and support.

For and on behalf of Board of Directors



Shankar Mukherjee
Director
DIN: 01918561



Abhishek Bhardwaj
Director
DIN: 03459739

Place : Kolkata

Date : 23rd May 2016

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016 of

Medi-Net Services Private Limited

[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i) CIN	: U72200WB2007PTC117940
ii) Registration Date	: 21.08.2007
iii) Name of the Company	: Medi-Net Services Private Limited
iv) Category / Sub-Category of the Company	: Limited by shares
v) Address of the Registered Office and contact details	: Plot No. X-1, 2 & 3, Block-EP, Sector-V, Salt Lake City, Kolkata -700091
vi) Whether Listed company	: Yes / No
vii) Name, Address and contact details of Registrar & Transfer Agents (RTA)	: N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
NIL			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Shristi Housing Development Limited*	U70200WB2007PLC113303	Holding	75	2(46)

* Shristi Housing Development Limited has been amalgamated with Shristi Infrastructure Development Corporation Limited pursuant to Hon'ble Court Order, Calcutta dated 16.02.2016 which became effective on 31.03.2016.

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	-	10000	10000	25.00	-	10000	10000	25.00	-
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	-	30000	30000	75.00	-	30000	30000	75.00	-
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1)	-	40000	40000	100.00	-	40000	40000	100.00	-
(2) Foreign									
(a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
(b) Other-Individual	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) =	-	40000	40000	100	-	40000	40000	100	-
(A)(1)+(A)(2)									
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks / FI	-	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIs	-	-	-	-	-	-	-	-	-

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(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
(a) Bodies Corp.	-	-	-	-	-	-	-	-	-
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals	-	-	-	-	-	-	-	-	-
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
(c) Others (specify)	-	-	-	-	-	-	-	-	-
Trust & foundations	-	-	-	-	-	-	-	-	-
Non Resident Individual	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)-(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	40000	40000	100	-	40000	40000	100	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% Change during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1	Shristi Housing Development Limited*	30000	75	-	30000	75	-	-
2	Mr. Isha Khan Chowdhury	5000	12.5	-	5000	12.5	-	-
3	Mrs. Syeda Saleha Noor	5000	12.5	-	5000	12.5	-	-

* Shristi Housing Development Limited has been amalgamated with Shristi Infrastructure Development Corporation Limited pursuant to Hon'ble Court Order, Calcutta dated 16.02.2016 which became effective on 31.03.2016.

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Shareholder's Name	Date	Shareholding			Cumulative Shareholding during the year		
			No. of shares	% of total of shares of company	% of Shares Pledged/ encumbered to total shares	No. of shares	% of total of shares of company	% of Shares Pledged/ encumbered to total shares
	At the beginning of the year		NO CHANGE IN PROMOTER SHAREHOLDING					
	Date wise Increase/Decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease							
	At the end of the year							

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 shareholders	Shareholding at the		Date	Change in Shareholding	Reason	Cumulative shareholding	
		No. of shares	% of total of shares of company				No. of shares	% of total shares of company
NIL								

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Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total of shares of company	No. of shares	% of total of shares of company
1	Mr. Isha Khan Chowdhury				
	At the beginning of the year	5000	12.50	5000	12.50
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No change during the year			
	At the end of the year	5000	12.50	5000	12.50
2	Ms. Syeda Saleha Noor				
	At the beginning of the year	5000	12.50	5000	12.50
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)	No change during the year			
	At the end of the year	5000	12.50	5000	12.50

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	29,481,855	-	29,481,855
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	29,481,855	-	29,481,855
Change in Indebtedness during the financial year				
• Addition	-	8,275	-	8,275
• Reduction	-	-	-	-
Net Change	-	8,275	-	8,275
Indebtedness at the end of the financial year				
i) Principal Amount	-	29,490,130	-	29,490,130
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	29,490,130	-	29,490,130

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	-	-	-	-
	Ceiling as per the Act	-	-	-	-

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B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
	1. Independent Directors				
	• Fee for attending board /committee	-	-	-	-
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
	2. Other Non-Executive Directors				
	• Fee for attending board /committee	-	-	-	-
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

C. Remuneration to Key Managerial Personnel Other than MD/ Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
1	Gross salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961			
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
5	Others, please specify	-	-	-
	Total	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:


There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

For and behalf of the Board of Directors


Shankar Mukherjee

Director

DIN: 01918561


Abhishek Bhardwaj

Director

DIN: 03459739



H. R. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS

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1st Floor, Room No.B-6
KOLKATA - 700 001
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Telefax : (033) 2230-3207
Email: gk.sons@hotmail.com

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 2016, the Cash flow statement of the Company 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 Section 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 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 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 there under.

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 2016 and
- ii. in the case of the 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, 2016 ("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, and the statement of cash flow 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, as amended;



- e. On the basis of written representations received from the directors as on 31 March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016, from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure-B 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:
- a. The company does not have any pending litigations which would have impact on its financial position in its financial statement.
- b. The company did not have material foreseeable losses on long term contracts including derivative contracts that require provision under any law or Accounting Standards for which there were any material foreseeable losses.
- c. ~~No amount is required to be transferred to the Investor Education and Protection Fund by the Company.~~

For H. R. Agarwal & Associates
Chartered Accountants
Firm's registration no. 323029E

Sagarwal,

(Shyam Sundar Agarwal, FCA)
Partner
Membership number: 060033



Place: Kolkata
Date: 23/05/2016

Annexure A to the Auditor's Report

(Referred to in Paragraph 1 under "Report on other legal and regulatory requirements" of our report of even date)

- 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) As Explained to us, the fixed assets has been physically verified by the management , 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 physical verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deed of immovable property is held in the name of the Company.
- ii) As the Company has neither purchased / sold goods during the year nor there is any opening stock, hence reporting of clause (ii) of paragraph 3 of the Order is not applicable to the Company.
- iii) The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, clause (iii) of paragraph 3 of the Order is not applicable to the Company.
- iv) In our opinion and according to the information and explanation given to us, the Company has complied with the Provisions of Section 185 and 186 of the Companies Act, 2013, with respect to the loans and investment made.
- 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 thereunder.
- vi) According to the information and explanation provided by the management, the Company is not engaged in the production of any such goods or provisions of any such Services for which Central Government has prescribed the maintenance of Cost Records under section 148 (1) of the Companies Act, 2013. Accordingly, clause (vi) of paragraph 3 of the Order is not applicable to the Company.
- vii) (a) As explained, the Company is generally regular in depositing with appropriate authorities in respect of undisputed statutory dues including provident fund, employees state insurance, income-tax, sales tax, service tax, custom duty, excise duty, 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, 2016 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 VAT, sales tax, Service tax, duty of custom, duty of excise and Income Tax which have not been deposited on account of any dispute.



- viii) The company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, clause (viii) of paragraph 3 of the Order is not applicable to the Company.
- ix) The company did not raise any funds by way of further public offer (including debt instruments) and term loans during the year. Accordingly, clause (ix) of paragraph 3 of the Order is not applicable to the Company.
- x) According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not paid/ provided for any managerial remuneration during the year. Accordingly, clause (xi) of paragraph 3 of the Order is not applicable to the Company.
- xii) In our opinion and according to the information and explanation given to us, the company is not a nidhi Company. Accordingly, clause (xii) of paragraph 3 of the Order is not applicable to the Company.
- xiii) According to the information and explanation given to us and based on our examination of the records of the Company, the company has not entered into any transactions with the related parties that require approval under section 177 and 188 of the Act, 2013, where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For H. R. Agarwal & Associates
Chartered Accountants
Firm's registration no. 323029E

Sagarwal,

(Shyam Sundar Agarwal, FCA)
Partner

Membership number: 060033

Place: Kolkata

Date: 23/05/2016



Annexure B to the Auditor's Report

(Referred to in paragraph 2(f) under "Report on other legal and regulatory requirements" of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Control over financial reporting of **Medi - Net Services Private Limited** ("the Company") as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year then ended.

Management Responsibility for the Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For H. R. Agarwal & Associates

Chartered Accountants

Firm's registration no. 323029E

Sagarwal,

(Shyam Sundar Agarwal, FCA)

Partner

Membership number: 060033

Place: Kolkata

Date: 23/05/2016



Medi-Net Services Pvt. Ltd.
CIN NO - U72200WB2007PTC117940
Balance Sheet as at Mar 31, 2016

	Note No.	As at 31.03.2016 Amount (in Rs.)	As at 31.03.2015 Amount (in Rs.)
<u>EQUITY & LIABILITIES</u>			
Shareholders' Funds			
Share Capital	2	400,000	400,000
Current Liabilities			
Short term borrowings	3	29,490,130	29,481,855
Other Current Liabilities	4	265,792	105,160
Total		30,155,922	29,987,015

ASSETS

Non-current assets

Fixed assets

Tangible assets- Land

28,968,058

28,968,058

Capital Work in Progress

5

1,075,291

870,309

Current assets

Cash and cash equivalents

6

67,144

105,625

Short term loans and advances

7

45,429

43,023

Total

30,155,922

29,987,015

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 : 23/05/2016

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 31.03.2016

Particulars	Year Ended 31.03.2016 Amount (Rs.)	Year Ended 31.03.2015 Amount (Rs.)
A. CASH FLOW OPERATING ACTIVITES		
Operating Profit Before Working Capital Changes		
Adjustments for:		
Decrease/(Increase) in loans & advances	(2,406)	(36,596)
Increase / (Decrease) in Other Current liabilities	160,632	1,778
Net Cash From Operating Activities	<u>158,226</u>	<u>(34,818)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Increase) / Decrease in Other Non Current Assets	(204,982)	(217,123)
	<u>(204,982)</u>	<u>(217,123)</u>
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt of short term Borrowings	8,275	26,404
	<u>8,275</u>	<u>26,404</u>
D. Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(38,481)	(225,537)
Opening Cash and cash equivalents	105,625	331,161
Closing Cash and cash equivalents	67,144	105,625
Closing Cash and cash equivalents as per Balance Sheet	67,144	105,625

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

Sagarwal

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

Date : 22/05/2016
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
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Issued, Subscribed & Paid-Up:

40,000 Equity Shares of Rs.10/- each fully paid up	400,000	400,000
	<u>400,000</u>	<u>400,000</u>

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 [Amalgamated with Shristi Infrastructure Development Corporation Limited pursuant to Hon'ble High Court Order, Calcutta dated 16th February, 2016 which became effective on 31st March, 2016]

	30,000	30,000
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3) Shareholder holding more than 5% of the total shares
Ms. Shristi Infrastructure Development Corporation Ltd.
Mr. Isha Khan Choudhury
Ms. S S Noor

	30,000	30,000
	5,000	5,000
	5,000	5,000

3) **SHORT TERM BORROWINGS**

Unsecured Loans

-From Body Corporates (Shristi Housing Development Ltd)

	29,490,130	29,481,855
	<u>29,490,130</u>	<u>29,481,855</u>

4) **Other Current Liabilities**

Expenses payable

H. R. Agarwal & Associates	8,015	7,865
Aloke Kr. Ghosh	136	-
Arindam Banerjee	33,660	-
Arun Kumar Maity	3,740	-
BR PRECAST	116,203	-
K.Arun & Co.	2,863	-
Soumabho Ghosh	1,360	-
Deepak Kumar Khaitan	-	1,124
Singhal Chetani & Co.	-	2,246
Problem Shooter's	-	1,200
ISHA KHAN CHOUDHURY	59,617	59,617
Other Expenses payable	8,550	8,550
Retention Money Payable	7,561	1,380
Service Tax Payable (RC)	19,826	17,653
TDS Contractors	1,236	-
TDS Professional	-	2,500
Other Liabilities	3,025	3,025
	<u>265,792</u>	<u>105,160</u>

5) **CAPITAL WORK IN PROGRESS**

Construction Expenses	123,620	122,600
Survey work	27,603	27,603
Pre-Operative Expenses b/f	842,706	625,584
Bank Charges	5,138	-
Legal & Professional Charges	66,134	80,024
Audit Fee	8,015	7,865
Filing Fees	2,075	6,516
General Expenses	-	118
	<u>1,075,291</u>	<u>870,309</u>

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	As At March 31, 2016 (Rs.)	As At March 31, 2015 (Rs.)
6) CASH AND CASH EQUIVALENTS		
Balances with Scheduled Banks - in Current Accounts	66,930	105,370
Cash-in-hand	215	255
	67,144	105,625

7) SHORT TERM LOANS AND ADVANCES

Unsecured and Considered good		
Advances to staff and other	25,000	25,000
Service Tax Input(on pymt. Basis)	19,826	17,853
Service Tax Input	603	370
	45,429	43,023

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 Infrastructure Development Corporation Ltd.

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 (During the Period)	8,275	26,404
Closing Balance as on 31.03.2016	29,490,130	29,481,855

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

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

Date : 23/05/2016
Place : Kolkata



For and on Behalf of the Board

Abhishek Bhardwaj
Abhishek Bhardwaj
Director
DIN: 03459739

Shankar
Shankar Mukherjee
Director
DIN: 01918561