

MEDI-NET SERVICES PRIVATE LIMITED

REGD. OFFICE – PLOT NO.X-1, 2 & 3, BLOCK-EP, SECTOR- V, SALT LAKE CITY
KOLKATA –700091

DIRECTORS' REPORT FOR THE PERIOD ENDED 31ST MARCH, 2012

Dear Shareholders,

Your Directors are pleased to present the Annual Report together with the Audited Accounts of your Company for period ended on 31st March, 2012.

FINANCIALS RESULTS

The company is yet to commence its commercial operation; therefore, no Profit & Loss Account has been prepared during the year under review.

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 has neither earned nor utilized foreign exchanges.

DIRECTORS

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

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;



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- b) The selected Accounting Policies were applied consistently 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 31st March 2012.
- c) 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

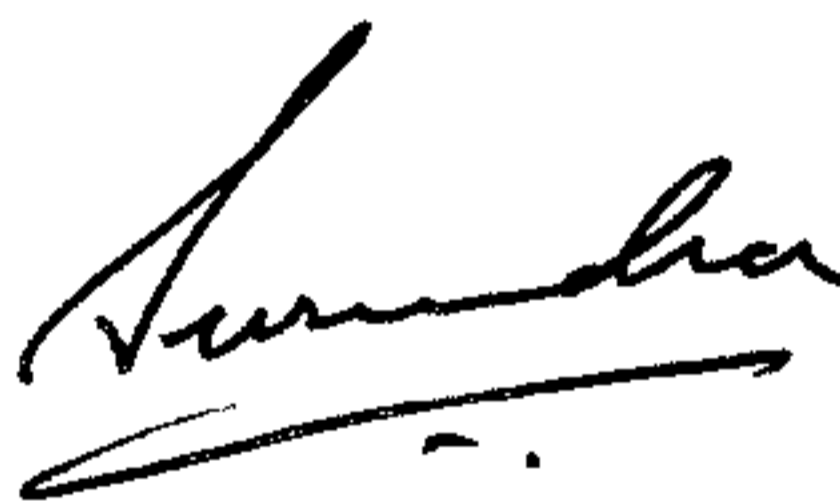
M/s. H. R. Agarwal & Associates, Chartered Accountants, retire as Auditors of your Company at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

ACKNOWLEDGEMENT

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

On behalf of Board of Directors

Place : Kolkata
Date : 18-05-12



(Surendra Kumar Khaitan)
Director



(Rahul Varma)
Director



H. R. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS

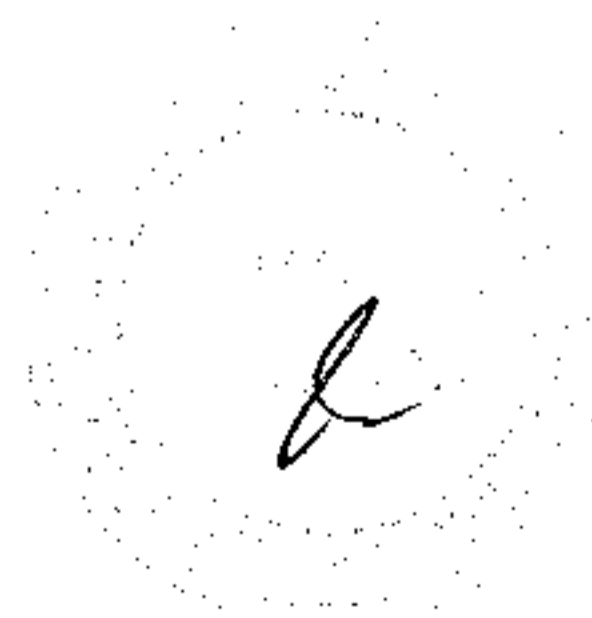
AUDITORS' REPORT

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1st Floor, Room No.B-6
KOLKATA - 700 001
Tele : (033)2248-6561, 3022-6561
Telefax : (033) 2230-3207
e-mail : gk.sons@hotmail.com

TO THE MEMBERS OF M/S. MEDI - NET SERVICES PRIVATE LIMITED

1. We have audited the attached Balance Sheet of *M/S. MEDI-NET SERVICES PRIVATE LIMITED* as at 31st March, 2012 and the cash flow statement for the year ended on that date annexed hereto, which we have signed under reference to this report. No Profit & Loss Account of the Company for the year ended on that date has been prepared; (refer Note no. 8). This financial statement is the responsibility of the management of the company. Our responsibility is to express an opinion on the financial statement based on our audit.
2. We conducted our audit in accordance with the 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 of 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As per sub clause (iv) of clause 2 of paragraph 1 of the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that :
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
 - c) The Balance Sheet and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet and Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of the written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of 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 together with the significant Accounting Policies and notes thereon 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 31st March, 2012. and
 - ii. In the case of the Cash Flow Statement of the Cash Flows for the year ended on that date.

Place: KOLKATA
Date : 18/05/2012



For H. R. AGARWAL & ASSOCIATES
Chartered Accountants
Firm Regn. No.-323029E

(CA. HARI RAM AGARWAL)
Partner
M. No. FCA 057625

Referred to in Paragraph 3 of our report of even date

ANNEXURE TO THE AUDITORS' REPORT

- i) Since the company is not having any fixed asset as on 31st March 2012 the clause 4(i)(a)(b)(c) of the said order are not applicable to the company.
- ii) (a) Since the company does not have any inventory the sub-clause (II) of the said Order are not applicable to the company.
- iii) (a) As informed to us, the company has neither granted nor taken any loans secured or unsecured to / from companies, firms or other parties, covered in the register maintained under section 301 of the Companies Act, 1956, hence the said order is not applicable to the company.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchases of Inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
- v) The Company has not entered into contracts or arrangements the particulars of which are required to be entered into the register in pursuance of Section 301 of the act.
- vi) In our opinion and according to the information and explanations given to us, the Company has not accepted deposit from the public in pursuance to sections 58A and 58AA of the Companies Act, 1956.
- vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- viii) Provisions relating to maintenance of cost records as prescribed by the Central Government u/s 209 (1) (d) of the Companies Act, 1956, in our opinion, are not applicable to the company.
- ix)
 - a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth-tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
 - b) 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 and cess were in arrears, as at 31st March, 2012 for a period of more than six months from the date they became payable.
 - c) 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 and cess, which have not been deposited on account of any dispute.
- x) The company has not completed its 5 years of registration the provisions of clause 4(x) are not applicable to company. Moreover the company has not incurred cash losses during the period covered by our audit & in the immediately preceding period.
- xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any dues to a financial institution or bank or debenture holders.
- xii) In our opinion the Company has not granted loans & advances on the basis of securities by way of pledge of shares, debentures and other securities.

A handwritten signature in black ink is written over a faint circular stamp. The signature appears to be a stylized 'K' or similar character. The stamp is mostly illegible but seems to contain some text around the perimeter.

- xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xv) In our opinion and according to the information & explanations given to us, the company has not given any guarantees for loans taken by others.
- xvi) The company has not obtained any term loan during the Period.
- xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long term investment.
- xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to the parties & companies covered in the register maintained under section 301 of the act during the year.
- xix) According to the information and explanations given to us, during the period covered by our audit report, the company had not issued any debentures.
- xx) The Company has not raised any money by Public Issue during the Period.
- xxi) 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.

Place: KOLKATA
Date: 18/05/2012



For H.R.AGARWAL & ASSOCIATES

Chartered Accountants
Firm Regn. No.-323029E

(CA. Hari Ram Agarwal)
Partner
M. No. FCA 057625

Medi-Net Services Pvt. Ltd.

Balance Sheet as at March 31, 2012

	Note No.	As at 31.03.2012 Amount (in Rs.)	As at 31.03.2011 Amount (in Rs.)
EQUITY & LIABILITIES			
Shareholders' Funds			
Share Capital	2	400,000	400,000
Current Liabilities			
Short term borrowings	3	26,791,500	26,761,500
Other Current Liabilities	4	97,402	74,997
Total		27,288,902	27,236,497
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets- Land		27,094,099	27,094,099
Other non-current assets	5	176,017	100,468
Current assets			
Cash and cash equivalents	6	8,786	31,930
Short term loans and advances	7	10,000	10,000
Total		27,288,902	27,236,497
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



(CA Hari Ram Agarwal)
Partner
Membership No.FCA 057625



For and on Behalf of the Board



Director



Director

Date :
Place: Kolkata MAY 2012

Medi-Net Services Pvt. Ltd.
Cash Flow Statement Annexed to the Balance Sheet for the year ended 31.03.2012

Particulars	Year Ended 31.03.2012 Amount (Rs.)	Year Ended 31.03.2011 Amount (Rs.)
A. CASH FLOW OPERATING ACTIVITIES		
Operating Profit Before Working Capital Changes		
Adjustments for:		
Decrease in loans & advances	-	(10,000)
Increase / (Decrease) in Other Current liabilities	22,405	(4,170)
Net Cash From Operating Activities	22,405	(14,170)
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Increase) / Decrease in Other Non Current Assets	(75,549)	(45,251)
	(75,549)	(45,251)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt of short term Borrowings	30,000	
	30,000	-
D. Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(23,144)	(59,421)
Opening Cash and cash equivalents	31,930	91,351
Closing Cash and cash equivalents	8,786	31,930
Closing Cash and cash equivalents as per Balance Sheet	8,786	31,930

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

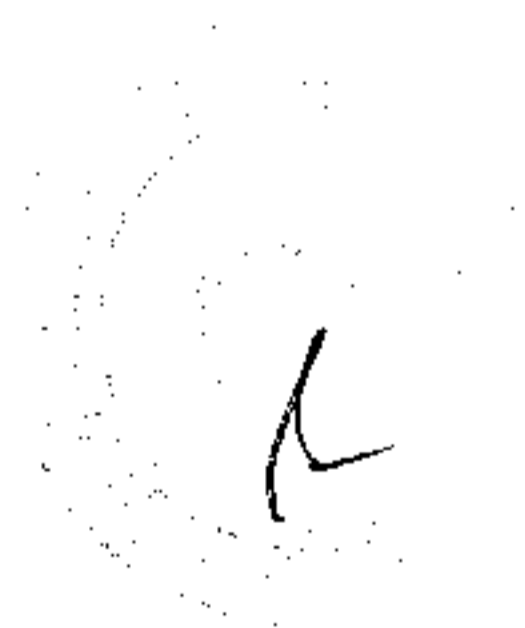
For H. R. Agarwal & Associates
Chartered Accountants



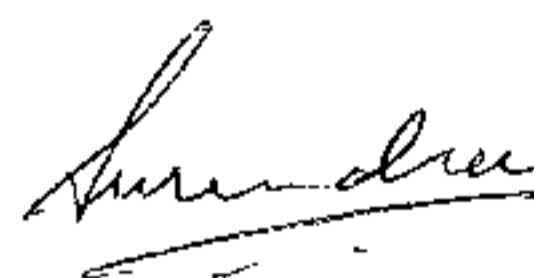
(CA Hari Ram Agarwal)
Partner

Membership No.FCA 057625

Date: 3 MAY 2012
Place : Kolkata



For and on behalf of Board of Directors



Director



Director

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

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

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 :**

50,000 (Previous year 50,000) Equity Shares of Rs.10/- each 500,000 500,000

Issued, Subscribed & Paid-Up:

40,000 (Previous year 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 private Ltd (SHDPL) and it's nominees, Shristi Infrastructure Development Limited being the ultimate holding company.

30,000 30,000

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

SHDPL 30,000 30,000
Ms. S S Noor 5,000 5,000
Mr. Isha Khan Choudhury 5,000 5,000

3) SHORT TERM BORROWINGS**Unsecured Loans**

-From Body Corporates (Shristi Housing Development Pvt. Ltd) 26,791,500 26,761,500

26,791,500 **26,761,500**

4) OTHER CURRENT LIABILITIES**Expenses payable**

H. R. Agarwal & Associates 11,030 1,000
Singhal Chetani & Co. 2,000 -
Rekha Agarwal 500 -
Problem Shooter's 11,300 2,600
ISHA KHAN CHOUDHURY 59,617 59,617
Other Expenses payable 8,550 8,550
Manoj Shaw & Co. - 1,850
Retention Money Payable 1,380 1,380

Other Liabilities

3,025 -

97,402 **74,997**

5) OTHER NON-CURRENT ASSETS

Preliminary Expenses. 19,200 19,200

Pre-Operative Expenses 36,017 36,017

Survey work 27,603 27,603

Other Expenses-

Printing & Stationery Expenses 2,271 2,271
Rates & Taxes 3,025 -
Legal & Professional Charges 59,850 6,350
-Audit Fee 11,030 -
Filing Fees 16,014 8,254
General Expenses 234 -
Service Tax Input 773 773

176,017 **100,468**

Medi-Net Services Pvt. Ltd.

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

	As At March 31, 2012 (Rs.)	As At March 31, 2011 (Rs.)
6) CASH AND CASH EQUIVALENTS		
Balances with Scheduled Banks - in Current Accounts	8,690	17,880
Cash-in-hand	96	14,050
	8,786	31,930
7) SHORT TERM LOANS AND ADVANCES		
Unsecured and Considered good		
Advances to staff and other	10,000	10,000
	10,000	10,000

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:

Holding company of Reporting Enterprise : Shristi Housing Development Private Limited.

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

Key Management Personnel
Mr. Sunil Jha: Director
Mr. Rahul Verma: Director
Mr. Isha Khan Chowdhary: Director

c. Transactions with Related parties

Holding Company :

Advance received	30,000	-
Closing Balance as on 31.03.2012	26,791,500	26,761,500

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.

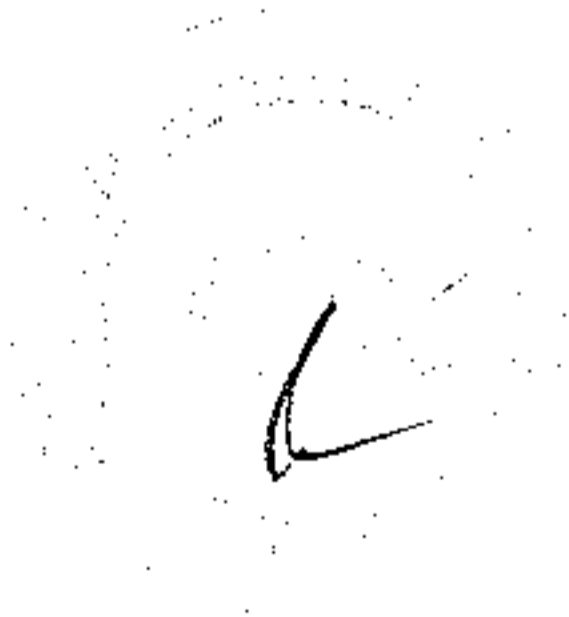
As per our report of even date

For H. R. Agarwal & Associates
Chartered Accountants



(CA Hari Ram Agarwal)
Partner
Membership No.FCA 057625

Date: 5 MAY 2012
Place : Kolkata



For and on Behalf of the Board


Director
Director