

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2013**

*To The Members of  
Shristi Housing Development Private Limited*

Your Directors are pleased to present the 6<sup>th</sup> Annual Report together with the Audited Accounts of your Company for the year ended 31<sup>st</sup> March, 2013. The summarized financial results for the year ended 31<sup>st</sup> March, 2013 are as under:

**FINANCIAL RESULTS**

This is the 6<sup>th</sup> year of operation and the financial highlights of the Company for the year ending March 31, 2013 are given herein below:

(Amount in Lacs)

PARTICULARS	For the year ended 31.3.2013	For the year ended 31.3.2012
Total Income	3459.17	1870.47
<b>Profit before Depreciation, Amortization &amp; Tax</b>	<b>24.58</b>	<b>28.89</b>
Less: Depreciation & Amortization	1.23	1.58
<b>Profit before Tax</b>	<b>23.35</b>	<b>27.31</b>
Less : Provision for Tax & other adjustments	7.96	9.14
<b>Net Profit after tax (transferred to Balance Sheet)</b>	<b>15.39</b>	<b>18.17</b>

**PERFORMANCE**

Your Company specializes in Infrastructure Development business. The Revenue of the Company for the year is Rs. 3459.17 lacs as compared to Rs. 1870.47 lacs in 2011-12. The Company's net profit for the year is Rs.15.39 lacs compared to Rs.18.17 lacs last year.

**DIVIDEND**

Your Directors feel that it is prudent to plough back the profits for future growth of the Company and do not recommend any dividend for the year ended 31<sup>st</sup> March, 2013.

**FIXED DEPOSIT**

The Company has not accepted any fixed deposits under section 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.

**Shristi Housing Development Pvt. Ltd.**

During the year under review, the Company has neither earned nor utilized foreign exchanges.

## DIRECTORS

None of the Directors of the Company are 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.
- b) the selected accounting policies were applied consistently and the Directors made judgements 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, 2013 and of the profit or loss of the Company for the year ending on 31<sup>st</sup> March, 2013.
- 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 fraud and other irregularities.
- d) the Annual Accounts have been prepared on a going concern basis.

## AUDITORS

M/s. L. B. Jha & Co., 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.

PLACE: Kolkata  
DATE: 24-05-13

FOR AND ON BEHALF OF THE BOARD



(Sunil Jha)  
Managing Director



(Surendra Kr. Khaitan)  
Director

Shristi Housing Development Pvt. Ltd.

Ref.SA/S/16R

**Independent Auditor's Opinion**

**To the Members of Shristi Housing Development Private Limited**

**A. Report on the Financial Statements**

We have audited the accompanying financial statements of Shristi Housing Development Private Ltd. ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**B. Management's Responsibility for the Financial Statements**

The Company's Management is responsible for the preparation of these 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 Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

**C. Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the 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 the 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 the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**D 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:




- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

#### E. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, 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 it appears from our examination of those books;
  - (c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act;
  - (e) on the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2013 taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.
  - (f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under Section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For L.B.Jha & Co  
Chartered Accountants  
Firm Registration No: 301088E

  
(A. K. Gandhi)  
Partner

Membership No: 16350

Place: Kolkata

Date: 24 MAY 2013

**ANNEXURE to Auditors' Report to the members of  
SHRISTI HOUSING DEVELOPMENT PRIVATE LIMITED**

[Referred to in paragraph E.1 of the Auditors' Report of even date]

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets.
  - (b) According to the information and explanations given to us, the fixed assets have been physically verified by the management in a phased periodical manner which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No discrepancies have been noticed on such verification.
  - (c) In our opinion, and according to the information and explanations given to us, the Company has not disposed off a substantial part of its fixed assets during the year.
2. (a) In our opinion and according to the information and explanations given to us, the inventory has been physically verified by the management during the year and the frequency of verification is reasonable.
  - (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us and as verified by us, the Company has maintained proper records of inventory. The discrepancies noticed on physical verification between the physical stock and book records were not material having regards to the size of the operations of the company.
3. (a) The Company has granted unsecured loans to eight companies covered in the register maintained under Section 301 of the Act. The maximum amount involved and the balance at the year end was Rs.4322.18 lacs



- (b) In our opinion and according to the information and explanations given to us, the rate of interest wherever applicable and other terms and condition on which loans have been given to the companies covered in the register maintained under Section 301 of the Act are not prima facie, prejudicial to the interest of the Company.
  - (c) There is no stipulation regarding recovery of loans and interest. Irrespective of the principal amount and interest, there are no overdue balance.
  - (d) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
4. In our opinion and according to the information and explanations given to us, having regard to the explanation that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have we been informed of any of any instances of major weakness in the aforesaid internal control procedure and continuing failure on the part of the management to take corrective course of action in this regard.
5. (a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered in the register in pursuance of Section 301 of the Act, have been so entered.
- (b) In our opinion and according to the information and explanations given to us and based on our verification, we report that the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act have been made and exceeding the value of rupees five lakhs in respect of any party during the year at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposits under the provisions of Sections 58A and 58AA or any other relevant provisions of the Act.
7. The Company has an internal audit system. However, the scope and areas of the internal audit need to be enlarged to make it commensurate with the size and nature of its business.



8. We have made an overall review of the books of account maintained by the Company, pursuant to the rules made by the Central Government of India, for the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of Section 209 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, made a detail examination of the records with a view to determine whether they are accurate and complete.
9. (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing with appropriate authority undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess and other material statutory dues as applicable to it.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of any dispute.
10. The Company has no accumulated losses as at 31<sup>st</sup> March, 2013 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to bank and financial institution. The company has not issued any debenture during the year.
12. Based on our evaluation of documents and records and according to the information and explanations given by the Management. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the explanations received form the management, the provisions of any special statutes relating to chit fund/nidhi/mutual benefit fund/societies are not applicable to the company.
14. In our opinion and according to the information and explanations given to us, the Company is not dealing in shares. Securities, debentures and other investments.



15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
16. In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.
17. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis, which have been used for long term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
19. In our opinion and according to the information and explanations given to us, the Company has not issued any debentures during the year nor has any debenture outstanding as at the year-end.
20. The Company has not raised any money by the public issues during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company nor noticed or reported during the year, nor have we been informed of such a case by the management.

Kolkata,  
Date:

For L.B Jha & Co.,  
Chartered Accountants  
(Registration no. 301088E)

  
(A. K. Gandhi)  
Partner

Membership No.16350



**SHRISTI HOUSING DEVELOPMENT PRIVATE LIMITED**

(In Rupees)

Balance Sheet as at March 31, 2013

Particulars	Notes	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	502,200,000	502,200,000
Reserves & Surplus	3	2,409,502,323	2,407,962,443
<b>Non-Current Liabilities</b>			
Long term borrowings	4	1,389,922,557	1,240,089,042
Other Long term liabilities	5	513,363,620	513,363,620
Long term Provisions	6	566,454	425,711
<b>Current Liabilities</b>			
Short term borrowings	7	1,062,351,713	1,418,139,576
Trade payables	8	597,859,631	369,207,349
Other Current liabilities	9	309,412,350	121,062,993
Short term Provisions	10	5,306,622	4,506,622
<b>TOTAL</b>		<b>6,790,485,270</b>	<b>6,576,957,356</b>

**II. ASSETS**

**Non-current assets**

Fixed assets

Tangible assets	11	1,212,032,958	1,220,343,940
Intangible assets - Development Rights		43,189,590	43,189,590
Non-current investments	12	2,714,566,680	2,714,566,680
Deferred tax assets (net)	13	94,491	74,146
Long term loans and advances	14	200,411,860	208,454

**Current assets**

Inventories	15	691,813,786	490,780,568
Trade Receivables			
Cash and cash equivalents	16	10,352,563	26,241,387
Short term loans and advances	17	1,918,023,342	2,081,552,591
Other current assets			

**TOTAL**

**6,790,485,270**      **6,576,957,356**


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 L.B.Jha & Co.  
Chartered Accountants  
(Registration No.301088E)

For and on behalf of the Board

  
(A.K. Gandhi)  
Partner  
Membership No. 16350

  
Managing Director

  
Director

  
Company Secretary

Place : Kolkata

Date : 24 MAY 2013

**SHRISTI HOUSING DEVELOPMENT PRIVATE LIMITED**

**Statement of Profit & Loss for the period ended March 31, 2013**


(In Rupees)

Particulars	Notes	Figures for the current reporting period	Figures for the previous reporting period
<b>III. INCOME</b>			
Revenue from operations	18	345,788,610	177,024,791
Other Income	19	127,923	10,022,132
<b>Total Revenue</b>		<b>345,916,533</b>	<b>187,046,923</b>
<b>IV. EXPENSES</b>			
(Increase)/Decrease in Stock	20	(201,529,079)	(178,609,972)
Direct Project Expenses	21	329,866,313	153,277,109
Employee benefit expense	22	16,431,185	11,737,137
Finance costs	23	169,475,771	185,444,147
Depreciation and amortization expenses	11	123,691	158,145
Other expenses	24	29,214,128	12,308,543
<b>Total Expenses</b>		<b>343,582,009</b>	<b>184,315,109</b>
<b>V. Profit/(Loss) before exceptional and extraordinary items and tax</b>	(III - IV)	2,334,524	2,731,814
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax	(V - VI)	2,334,524	2,731,814
VII. Extraordinary Items		-	-
IX. Profit before tax	(VII - VIII)	2,334,524	2,731,814
X. Tax Expense:-		-	-
- (1) Current tax		800,000	872,843
- (2) Income Tax for earlier year		14,990	-
- (3) Deferred tax		(20,346)	41,639
XI. Profit/(Loss) of the period from Continuing operation after tax	(IX - X)	1,539,880	1,817,332
<b>XII. Earning per Equity Share (Face value of Rs. 10 each)</b>			
(1) Basic	25	0.03	0.04
(2) Diluted	25	0.03	0.04

The accompanying notes are an integral part of the financial statements

As per our report of even date

For L.B.Jha & Co.  
Chartered Accountants  
(Registration No.301088E)

  
(A.K. Gandhi)  
Partner  
Membership No. 16350

Place : Kolkata  
Date : 21.04.2013

For and on behalf of the Board

  
Managing Director

  
Director

  
Company Secretary


**SHRISTI HOUSING DEVELOPMENT PRIVATE LIMITED**  
**Cash Flow Statement for the period ended 31st March, 2013**

In Rupees

Particulars	Figures for the current reporting period	Figures for the previous reporting period
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit/(Loss) before Taxation and Extraordinary items</b>	<b>2,334,524</b>	<b>2,731,814</b>
Adjustments for		
Depreciation	123,691	158,145
Divident Income	(29,999)	(9,898,000)
Interest Income	(71,670,088)	(48,019,875)
Loss on Sale of Land	382,941	-
Interest Charges	236,370,452	229,982,594
<b>Operating Profit before working capital changes</b>	<b>167,511,521</b>	<b>174,954,678</b>
Adjustments for:		
(Increase) / Decrease in long term Loans and Advances	(200,203,406)	(144,500)
(Increase) / Decrease in short term Loans and Advances	183,038,512	(284,227,567)
(Increase) / Decrease in Inventory	(201,033,218)	(181,423,535)
Increase / (Decrease) in Long term Provisions	140,743	100,144
Increase / (Decrease) in Trade payables	228,652,284	96,121,364
Increase / (Decrease) in Other Current liabilities	188,334,367	82,296,908
<b>Cash / (used in) From Operating Activities</b>	<b>366,440,802</b>	<b>(112,322,508)</b>
Taxes Paid	(3,036,723)	(4,801,989)
<b>Net Cash / (used in) From Operating Activities</b>	<b>363,404,079</b>	<b>(117,124,497)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Purchase) / Sale of fixed Assets	7,804,350	(63,753)
Purchase of non- current Investments	-	(710,080)
Interest Received	55,197,548	-
Dividend Income	29,999	9,898,000
<b>Net Cash Flow / (used in) from investing activities</b>	<b>63,031,897</b>	<b>9,124,167</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts of Borrowings	(205,954,348)	142,480,855
Interest paid	(236,370,452)	(229,982,594)
<b>Net Cash Flow / (used in) from financing activities</b>	<b>(442,324,800)</b>	<b>(87,501,739)</b>
<b>D. Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(15,888,824)</b>	<b>(195,502,069)</b>
Opening Cash and cash equivalents	26,241,387	221,743,456
Closing Cash and cash equivalents	10,352,563	26,241,387

Cash Flows have been prepared using indirect method  
The accompanying notes are an integral part of the financial statements  
As per our report of even date

For L.B.Jha & Co.  
Chartered Accountants  
(Registration No.301088E)

  
(A.K./Gandhi)  
Partner  
Membership No. 16350

Place : Kolkata  
Date : 24 Mar 2013

For and on behalf of the Board

  
Managing Director

  
Director

  
Company Secretary

SHRITI HOUSING DEVELOPMENT PRIVATE LIMITED

Notes to Financial Statements for the year ended 31<sup>st</sup> March 2013.

**Note -1: Significant Accounting Policies**

a. **Basis of Accounting:**

The financial statements have been prepared in accordance with the Mandatory Accounting Standards issued by Companies (accounting standards) rules 2006 and the relevant provisions of the Companies Act, 1956 in all material respects. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

**Use of Estimate:**

The preparation of financial statements, in conformity with Generally Accepted Accounting Principles (GAAP) required that the management made and estimates and assumptions that effect the reported accounts of assets and liabilities, discloser of contingent liability as at the date of financial statements and the reported accounts of revenue and expenses during reported period.

b. **Fixed Assets:**

Fixed Assets are stated at cost of acquisition, other attributable expenditure less accumulated depreciation.

c. **Investments:**

Investments are long term and stated at cost inclusive of brokerage and stamp charges. Unquoted investments are valued at cost. Investments held/intended to be held for a period exceeding one year are classified as long-term investments. Provision for diminution in the value of Long Term Investments is made only if such a decline is other than temporary in the opinion of the Management.

d. **Depreciation & Amortization:**

Depreciation on fixed assets is provided under Written down Value method at rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

Development right for land will be amortized in future years upon completion of the respective project.

e. **Impairment of Assets:**

At each Balance Sheet date, the Company assesses whether there is any indication that assets may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the assets exceeds its recoverable amount, an impairment loss is recognized in the accounts to the extent the carrying amount exceeds the recoverable amount. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

f. **Revenue Recognition:**

Contract receipts are recognized under percentage completion method in respect of work contract business. Interest revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable. Claims are accounted for on acceptance by client or evidence of such acceptance.

g. **Retirement Benefits:**

a) Gratuity liability and Compensated leave encashment to employees is accounted for on the basis of actuarial valuation using Projected Unit Credit Method.

b) Company's Contributions to Provident Fund are charged to Statement of Profit & Loss in the year when the contributions to the respective funds are due.

h. **Inventories:**

Raw Materials cost includes cost of cement, steel, and other accessories and Work-in-Progress includes all construction and related expenditure and is valued at lower of cost and estimated net realizable value.

SHRITI HOUSING DEVELOPMENT PRIVATE LIMITED

Notes to Financial Statements for the year ended 31<sup>st</sup> March 2013.

i. **Borrowing Cost:**

Borrowing Costs that are attributable to the acquisition and construction of qualifying asset are capitalised as part of the cost of the asset. Other borrowing costs are recognized as expense in the year of the expense.

j. **Taxation:**

Current Tax is provided on assessable income as per Income Tax Act, 1961. Deferred Tax is recognized subject to consideration of prudence in respect of timing difference, which are capable of being reversed in future.

k. **Provisions and contingent liabilities:**

Provisions are recognized when the company has a present obligation as a result of past obligating events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are required regularly and are adjusted where necessary to reflect the current estimates of obligation. When the company expects a provision to be reimbursed, the reimbursement is recognized as a separate asset, only when such reimbursement is virtually certain.

Contingent liability is disclosed when there is a present or possible obligation, the settlement of which may not involve on outflow of resources. No discloser is made when the possibility of outflow of resource is remote.



**SHRISTI HOUSING DEVELOPMENT PRIVATE LIMITED**  
**Notes to Financial Statements for the period ended 31st March 2013**

(In Rupees)

**Figures as at the end of current reporting period**      **Figures as at the end of previous reporting period**

**NOTE 2: Share Capital**

**Authorised :**

5,10,00,000(Previous Year 5,10,00,000 Equity Shares of Rs.10/- each)

510,000,000

510,000,000

**Issued, Subscribed & Paid-Up:**

5,02,20,000(Previous Year 5,02,20,000) Equity Shares

of Rs.10/- each fully paid up in cash

(entire share capital is held by Shriti Infrastructure Development Corporation Limited, the holding company)

502,200,000

502,200,000

Out of the above:

a) 250,000 Equity Shares of Rs.10/- each allotted as fully paid up without payment being received in cash

b) 499,50,000 Equity Shares of Rs.10/- each allotted as fully paid up Bonus Shares)

502,200,000

502,200,000

**NOTE 3 : Reserves & Surplus**

**Reserves**

Business Development Reserve:

As per last account

2,399,083,862

2,399,083,862

Less: Utilised for issue of bonus shares

2,399,083,862

2,399,083,862

Add: Additions during the year

-

-

2,399,083,862

2,399,083,862

**Surplus**

Statement of Profit & Loss:

As per last account

8,878,581

7,061,249

Less: Utilised for issue of bonus shares

8,878,581

7,061,249

Add: Profit during the year

1,539,880

1,817,332

10,418,461

8,878,581

2,409,502,323

2,407,962,443

**NOTE 4 : Long-term borrowings**

**SECURED LOAN**

Srei Infrastructure Finance Limited

890,000,000

890,000,000

( First Pari Passu charge by way of hypothecation of entire project assets and project receivables including stores, spares, tools and accessories)

(repayable in 3 equal annual installments beginning from the end of the 5th year)

Axis Bank, Line of credit

499,922,557

350,089,042

(Loan is secured by a first charge on all present and future moveable fixed assets, entire current assets including cash together with 3.5 acre of leasehold land)

(Corporate guarantee given by Shriti Infrastructure Development Corporation Limited)

1,389,922,557

1,240,089,042

**NOTE 5: Other Long Term Liabilities**

Security Deposit Received

513,363,620

513,363,620

513,363,620

513,363,620

**NOTE 6: Long term Provisions**

-Provision for Employee Benefits (Gratuity and Leave Encashment)

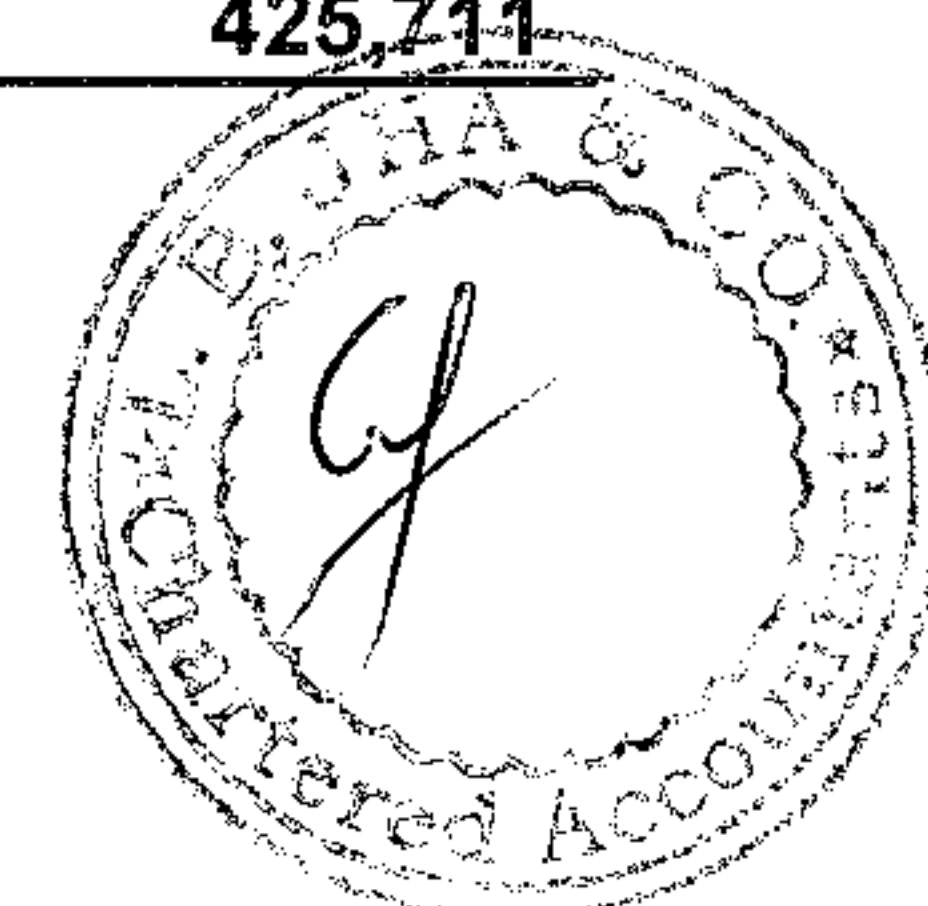
566,454

425,711

566,454

425,711

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**SHRISTI HOUSING DEVELOPMENT PRIVATE LIMITED**  
**Notes to Financial Statements for the period ended 31st March 2013**

(In Rupees)

**NOTE 7 : Short-term borrowings**

**UNSECURED LOAN**

From Bank  
 From Holding Company

	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
	423,974,408	669,160,898
	638,377,305	748,978,678
	<b>1,062,351,713</b>	<b>1,418,139,576</b>

**NOTE 8: Trade payable**

-Dues to Micro and Small Enterprises  
 -Dues to other than Micro and Small Enterprises

	-	-
	597,859,631	369,207,349
	<b>597,859,631</b>	<b>369,207,349</b>

**NOTE 9: Other Current liabilities**

Income Received in Advance  
 Expenses payable

	254,604,149	76,268,031
	54,808,201	44,794,962
	<b>309,412,350</b>	<b>121,062,993</b>

**NOTE 10: Short term Provisions**

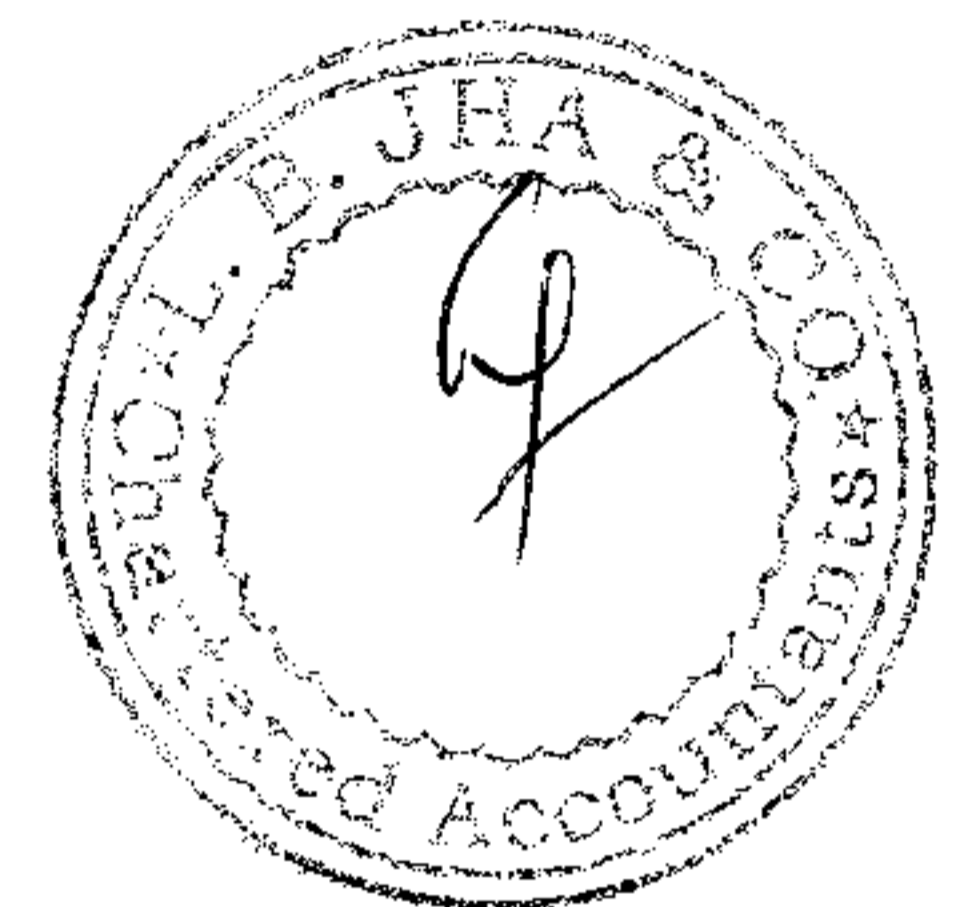
-Provision for Taxation

	5,306,622	4,506,622
	<b>5,306,622</b>	<b>4,506,622</b>

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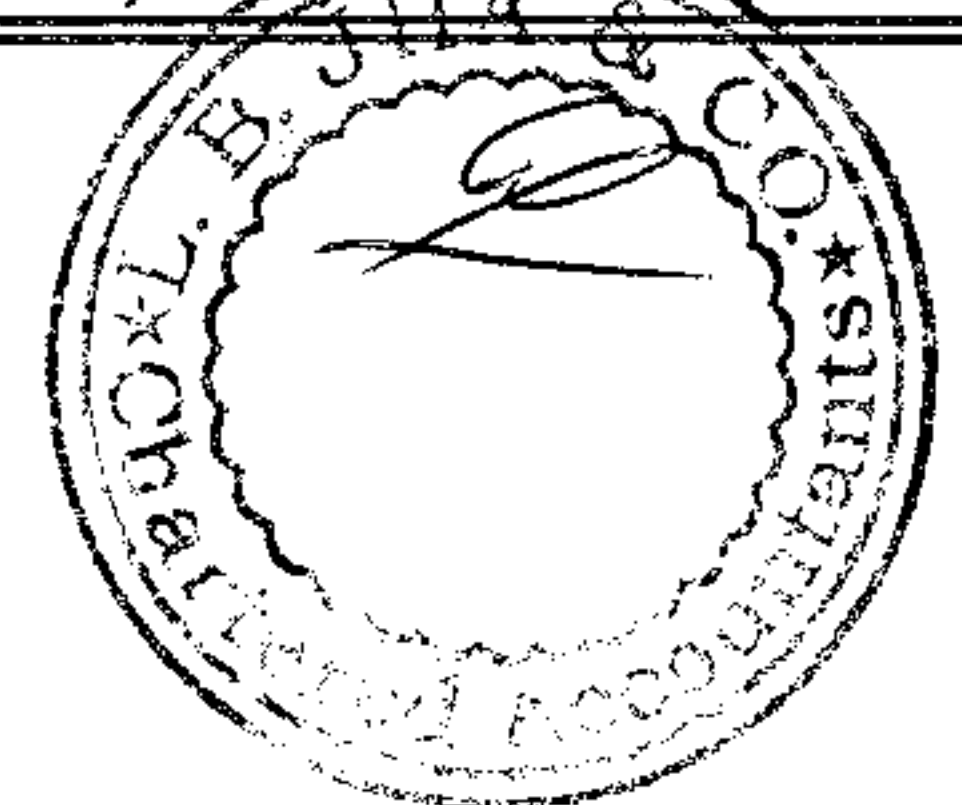
**SHRISTI HOUSING DEVELOPMENT PRIVATE LIMITED**  
**Notes to Financial Statements for the period ended 31st March 2013**

**Note : 11 : Fixed Assets (Tangible Assets)**

Particulars	Gross Block			Depreciation				Net Block		
	Figures as at the beginning of the current reporting period	Addition during the year	Deletions during the year	Figures as at the end of the current reporting period	Figures as at the beginning of the current reporting period	For the year	Deletions during the year	Figures as at the end of the current reporting period	Figures as at the end of the current reporting period	Figures as at the end of the previous reporting period
Land	1,219,829,412		8,202,941	1,211,626,471			-	-	1,211,626,471	1,219,829,412
Vehicles	517,199	-		517,199	337,890	46,423		384,313	132,886	179,309
Furniture & Fixture	220,191	-		220,191	153,951	11,989	-	165,940	54,251	66,240
Office Equipment	265,678	15,650		281,328	97,118	25,111	-	122,229	159,099	168,560
Computers & Accessories	305,812	-	-	305,812	205,393	40,168	-	245,561	60,251	100,419
<b>Current Year</b>	<b>1,221,138,292</b>	<b>15,650</b>	<b>8,202,941</b>	<b>1,212,951,001</b>	<b>794,352</b>	<b>123,691</b>	<b>-</b>	<b>918,043</b>	<b>1,212,032,958</b>	<b>1,220,343,940</b>
<b>Previous Year</b>	<b>1,221,074,540</b>	<b>63,753</b>	<b>-</b>	<b>1,221,138,292</b>	<b>636,207</b>	<b>158,145</b>	<b>-</b>	<b>794,352</b>	<b>1,220,343,940</b>	

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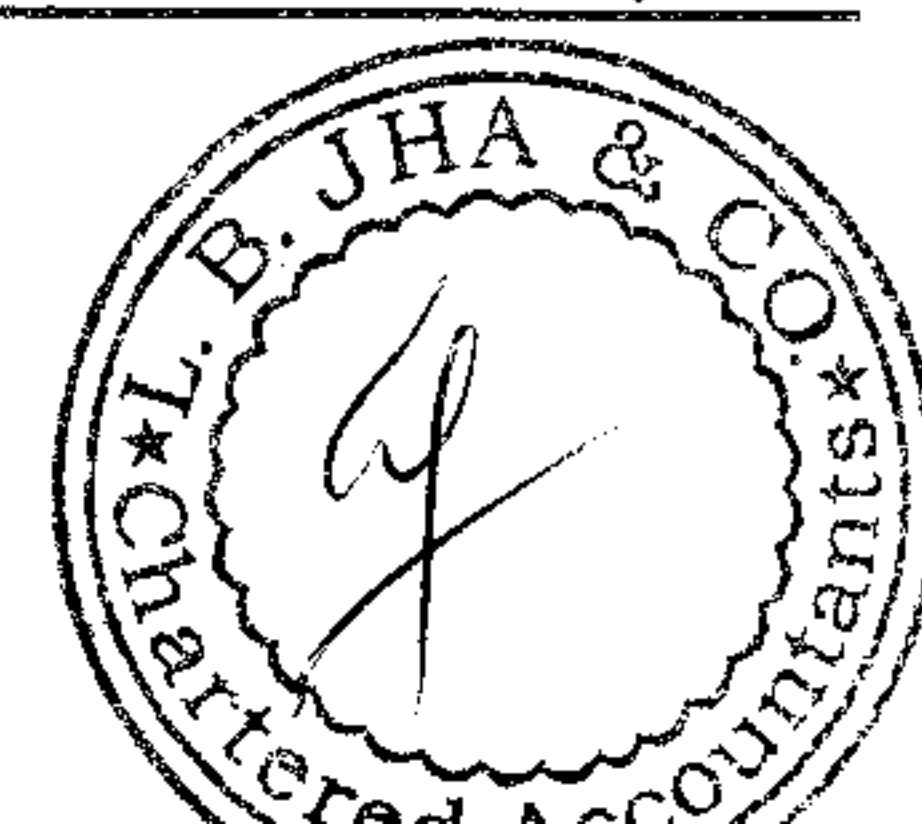


**SHRISTI HOUSING DEVELOPMENT PRIVATE LIMITED**  
**Notes to Financial Statements for the period ended 31st March 2013**

(In Rupees)

	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>NOTE 12: Non- Current Investments</b>		
<b>(Unquoted - other than trade, at cost)</b>		
<b>Investment in Equity Instruments</b>		
<b>Fully paid up shares and securities</b>		
<b>i) 'In Subsidiaries</b>		
<b>In Shares</b>		
Shristi Urban Infrastructure Development Limited 29,99,960 (Previous Year 29,99,960) Equity Shares of Rs.10/- each fully paid up	29,999,600	29,999,600
Border Transport Infrastructure Development Ltd 3,54,000 (Previous Year 3,54,000) Equity Shares of Rs.10/- each fully paid up	28,785,000	28,785,000
Vivekananda Skyroad Limited 9,65,200 (Previous Year 9,65,200) Equity Shares of Rs.10/- each fully paid up	9,652,000	9,652,000
East Kolkata Infrastructure Development Pvt Ltd 95,000 (Previous Year 95,000) Equity Shares of Rs.10/- each fully paid up	950,000	950,000
Kanchanjanga Integreted Infrat. Development Pvt Ltd 3,69,700 (Previous Year 3,69,700) Equity Shares of Rs.10/- each fully paid up	3,697,000	3,697,000
World City Development Pvt Ltd 2,19,400 (Previous Year 2,19,400) Equity Shares of Rs.10/- each fully paid up	2,194,000	2,194,000
Medinet Services Pvt Ltd 30,000 (Previous Year 30,000) Equity Shares of Rs.10/- each fully paid up	300,000	300,000
Vitthal Hospitality P Ltd 37,74,900 (Previous Year 37,74,900) Equity Shares of Rs.10/- each fully paid up	37,749,000	37,749,000
Shristi Udaipur Hotels and Resorts Private Limited 19,50,000 (Previous Year 19,50,000) Equity Shares of Rs.10/- each fully paid up	19,500,000	19,500,000
Vipani Hotels Private Limited 4,96,000 (Previous Year 4,96,000) Equity Shares of Rs.10/- each fully paid up	2,780,080	2,780,080
Finetune Engineering Pvt Ltd 20,00,000 (Previous Year 20,00,000) Equity Shares of Rs.10/- each fully paid up	10,410,000	10,410,000
<b>In Debentures</b>		
14% NCD of Kanchanjanga Integreted Infrastructure Dev. Ltd (Repayable at the end of 5 years from the date of issue, or extendable with mutual consent)	121,300,000	121,300,000
<b>ii) 'In Joint Ventures</b>		
Bengal Shristi Infrastructure Development Limited 9,89,800 (Previous Year 9,89,800) Equity Shares of Rs.10/- each fully paid up	1,231,300,000	1,231,300,000
TSCCF Shristi Infrastructure Development Limited 2,47,500 (Previous Year 2,47,500) Equity Shares of Rs.10/- each fully paid up	2,475,000	2,475,000
Shristi Hotel Private Limited 4,61,53,846 (Previous Year 4,61,53,846) Equity Shares of Rs.10/- each fully paid up	1,150,000,000	1,150,000,000
<b>In Preference Shares</b>		
TSCCF Shristi Infrastructure Development Limited 2,47,500 (Previous Year 2,47,500) Redeemable Preference Shares of Rs.10/- each fully paid up (Repayable at the end of 10 years from the date of issue, or extendable with mutual consent)	2,475,000	2,475,000
<b>iii) 'In Others</b>		
Asian Health Care Services Limited 21,00,000 (Previous Year 21,00,000) Equity Shares of Rs.10/- each fully paid up	21,000,000	21,000,000
Advinia Health Care India Pvt Ltd 40,00,000 (Previous Year 40,00,000) Equity Shares of Rs.10/-each fully paid up	40,000,000	40,000,000
	<b>2,714,566,680</b>	<b>2,714,566,680</b>
<b>NOTE 13 :Deferred Tax Assets/(Liability)</b>		
On account of Depreciation	150,491	139,809
Section 43B items	140,743	100,144
Net Difference	291,234	239,953
Net Deferred Tax Assets	<b>94,491</b>	<b>74,146</b>

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**SHRISTI HOUSING DEVELOPMENT PRIVATE LIMITED**  
**Notes to Financial Statements for the period ended 31st March 2013**

(In Rupees)

**Figures as at the  
end of current  
reporting period**

**Figures as at the  
end of previous  
reporting period**

**NOTE 14: Long Term Loans and Advances**

Unsecured, Considered good.

Security and Other Deposits

-Government Authorities

-Others

114,252

61,354

200,297,608

147,100

**200,411,860**

**208,454**

**NOTE 15: Inventory**

Construction Material

Construction Work In Progress

4,174,330

4,670,191

687,639,456

486,110,377

**691,813,786**

**490,780,568**

**NOTE 16: Cash and cash equivalents**

Cash in hand (as certified by Director)

Cash at Bank (with Scheduled Bank in Current Account)

10,612

35,632

10,341,951

26,205,755

**10,352,563**

**26,241,387**

**NOTE 17: Short term loans and advances**

Unsecured, Considered good.

To Related Parties (Refer Note No. 27)

To Others (recoverable in cash or kind or for value to be received)

Accrued Interest

578,204,062

846,374,640

1,293,339,140

1,205,170,351

46,480,140

30,007,600

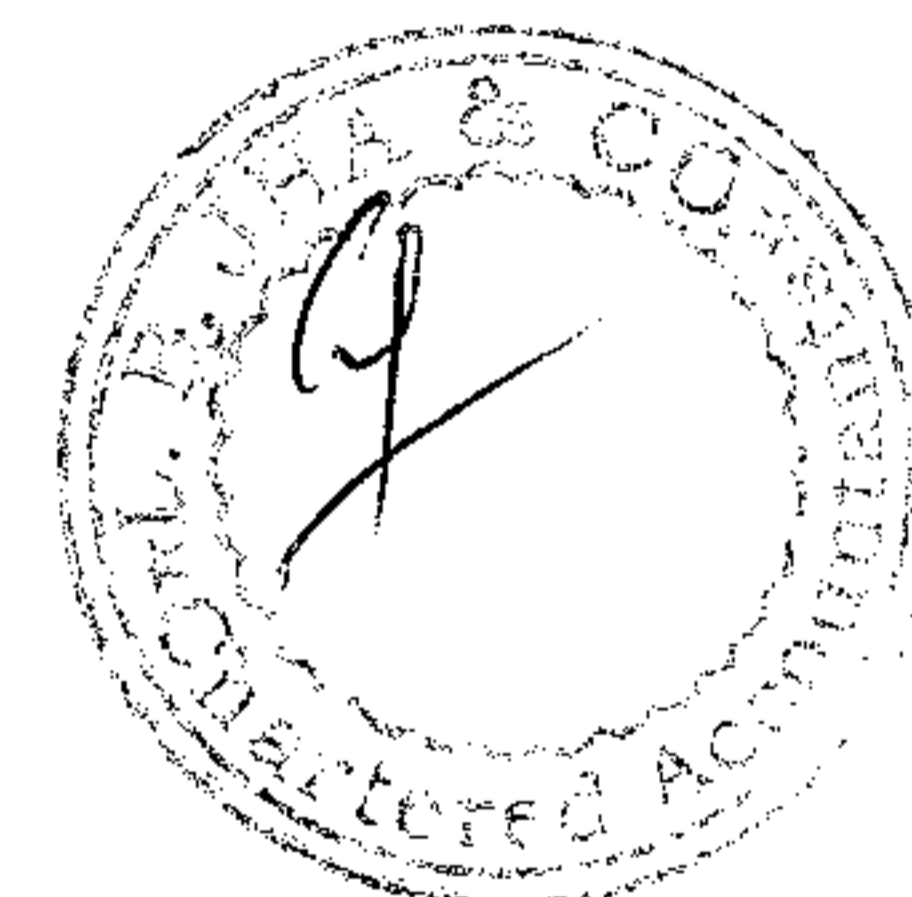
**1,918,023,342**

**2,081,552,591**

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**SHRISTI HOUSING DEVELOPMENT PRIVATE LIMITED**  
**Notes to Financial Statements for the period ended 31st March 2013**

(In Rupees)

**NOTE 18: Revenue from operations**

Income from Development

Figures for the current reporting period	Figures for the previous reporting period
345,788,610	177,024,791
<b>345,788,610</b>	<b>177,024,791</b>

**NOTE 19: Other Income**

Dividend Income on Long Term Investments  
Miscellaneous Receipts

29,999	9,898,000
97,924	124,132
<b>127,923</b>	<b>10,022,132</b>

**NOTE- 20 : (Increase) / Decrease in Stock**

**Closing Stock:**

Work in Progress

687,639,456	486,110,377
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Less : Opening Stock

**Work in Progress**

486,110,377	307,500,405
-------------	-------------

<b>(201,529,079)</b>	<b>(178,609,972)</b>
----------------------	----------------------

**NOTE- 21 : Direct Project Expenses**

Opening Stock

Add : Purchases

Less : Closing Stock

4,670,191	1,856,628
17,562,706	29,330,273
4,174,330	4,670,191

Construction Expenses

Consumable and Fuel Expenses

Miscellaneous Site Expenses

18,058,567	26,516,710
310,664,807	126,246,718
5,719	10,367
1,137,220	503,314

<b>329,866,313</b>	<b>153,277,109</b>
--------------------	--------------------

**NOTE 22: Employee benefit expense**

Salaries, Wages, Gratuity & staff cost

Contribution to Provident Funds

Contribution to Provident Funds for Prior Periods

Staff Welfare

14,749,339	11,694,841
694,578	-
767,132	-
220,136	42,296

<b>16,431,185</b>	<b>11,737,137</b>
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**NOTE 23 : Finance cost**

Interest (Net off with interest income of Rs. 7,16,70,088/- previous year Rs. 4,80,19,875/-)

Bank charges

165,884,946	181,962,719
3,590,825	3,481,428

<b>169,475,771</b>	<b>185,444,147</b>
--------------------	--------------------

**NOTE 24: Other expense**

Auditor's Remuneration:

Statutory Audit Fees

Tax Audit Fees

Certification matters

Consultancy, Professional Fees and Other Service Charges

Rent

Rates and Taxes

Electricity Charges

Loss on sale of land

Insurance Charges

Filing Fees

Travelling and Conveyance Expenses

Advertisement

Miscellaneous Expenses

56,180	50,000
22,472	20,000
33,708	30,000
19,955,383	6,303,199
583,196	128,887
251,485	1,491,533
427,011	397,786
382,941	
43,190	240,412
17,686	4,425
2,777,304	944,113
879,047	715,837
3,784,525	1,982,351

<b>29,214,128</b>	<b>12,308,543</b>
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**NOTE 25: Earning Per Share**

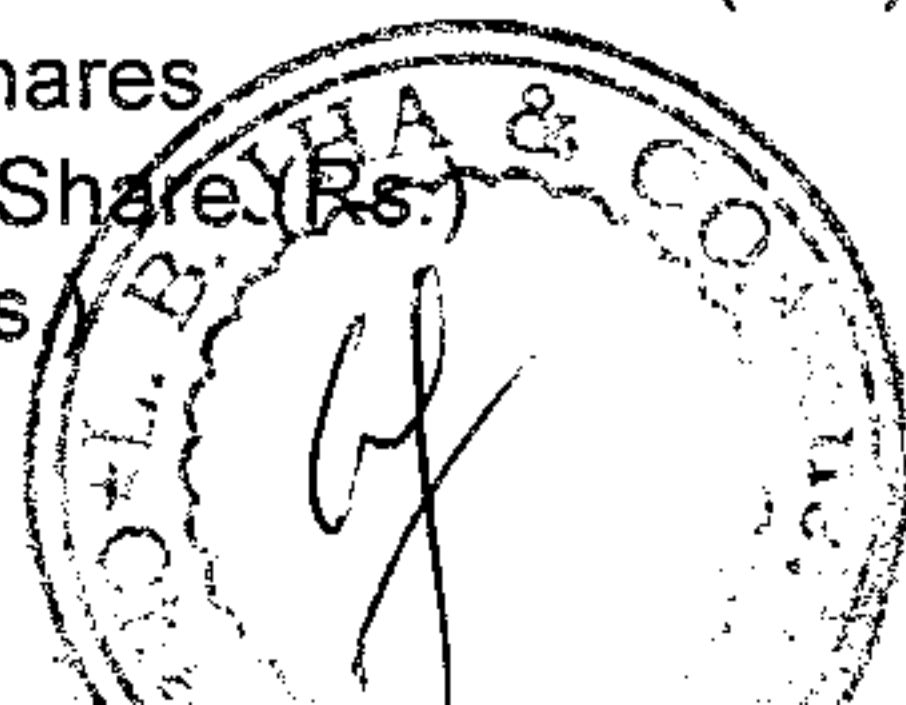
Net profit after tax as per profit and loss account (Rs.)

Weighted average number of Shares

Basic and Diluted Earnings Per Share (Rs.)

Face Value per Equity Share (Rs.)

1,539,880	1,817,332
50,220,000	50,220,000
0.03	0.04
10	10



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SHRITI HOUSING DEVELOPMENT PRIVATE LIMITED

Notes to Financial Statements for the year ended 31<sup>st</sup> March 2013.

26. The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days last drawn salary for each completed year of service. The scheme is not funded with any insurance company.

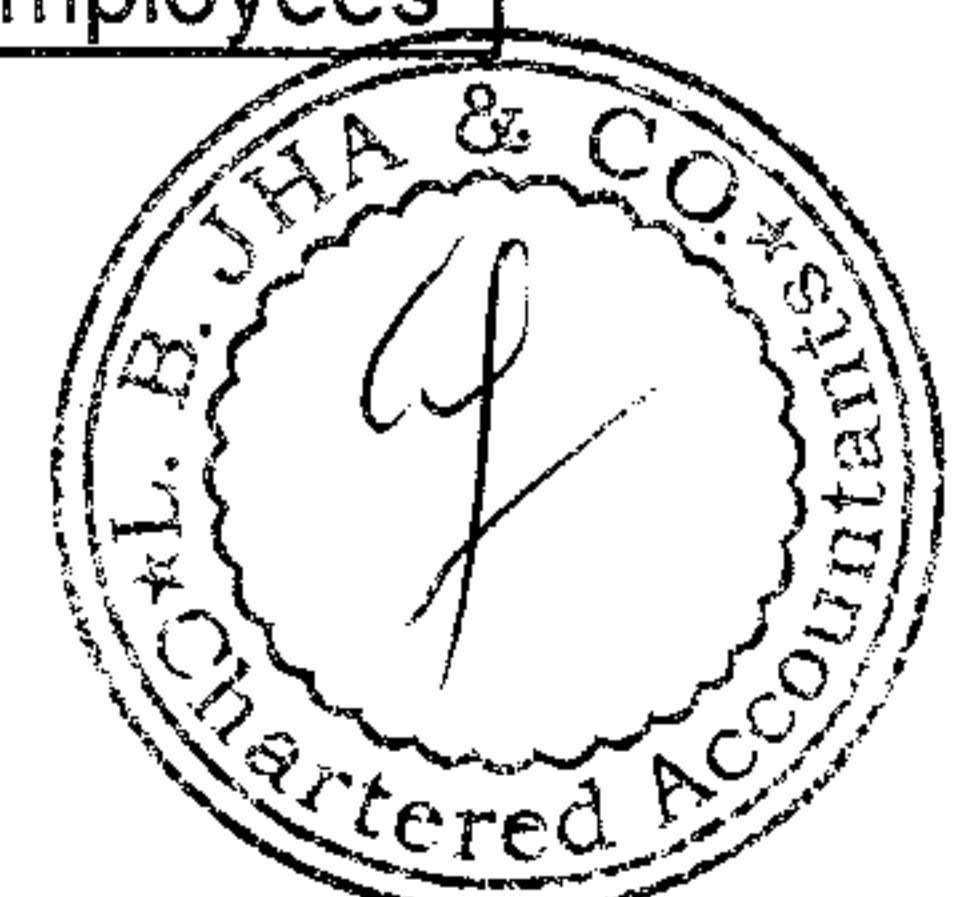
The following tables summarize the components of net benefit expenses recognized in the Statement of Profit & Loss and the funded status and amounts recognized in the balance sheet for the respective plan.

		GRATUITY		LEAVE ENCASHMENT	
		2012-13	2011-12	2012-13	2011-12
(i)	Net Employee expense/benefit				
	Current service cost	1,18,176	1,23,151	37,924	28,190
	Interest cost on benefit obligation	24,489	16,051	20,158	13,291
	Net Actuarial (gains)/loss recognized in the period	(1,05,069)	(33,885)	1,26,732	18,370
	Total employer expense	37,596	105,317	1,84,814	59,851
(ii)	Actual return on plan assets		-	-	
(iii)	Movement in benefit liability				
	Opening defined benefit obligation	2,53,303	1,47,986	1,72,408	1,59,870
	Interest cost	24,489	16,051	20,158	13,291
	Current service cost	1,18,176	1,23,151	37,924	28,190
	Actuarial (gains)/losses on obligation	(1,05,069)	(33,885)	1,26,732	18,370
	Benefits paid	-	-	(81,667)	(47,313)
	Closing benefit obligation	2,90,899	2,53,303	2,75,555	1,72,408
(iv)	The Principal actuarial assumptions are as Follows:				
	Discount rates	8.25%	8.00%	8.00%	8.00%
	Salary increase	5.00%	5.00%	5.00%	5.00%
	Withdrawal rates	Varying between 8% per annum to 1% per annum, depending on duration and age of the employees	Varying between 2% per annum and 1% per annum, depending on duration and age of the employees	Varying between 8% per annum to 1% per annum, depending on duration and age of the employees	Varying between 2% per annum and 1% per annum, depending on duration and age of the employees

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SHRITI HOUSING DEVELOPMENT PRIVATE LIMITED

Notes to Financial Statements for the year ended 31<sup>st</sup> March 2013.

27. Related Party Transactions

(A) Key Management Person: Mr. Sunil Jha, Managing Director

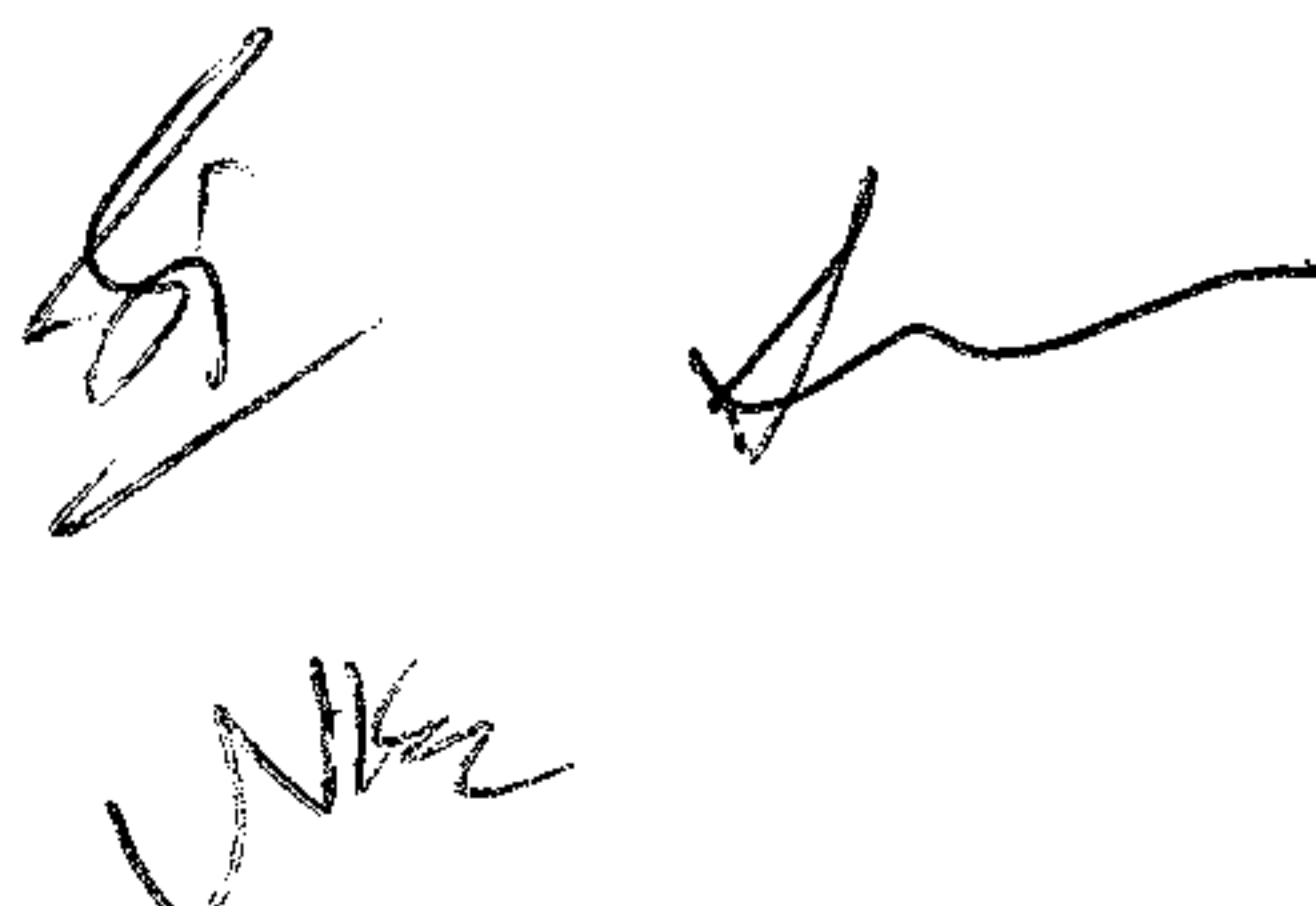
(B) Holding :-  
Shristi Infrastructure Development Corporation Limited

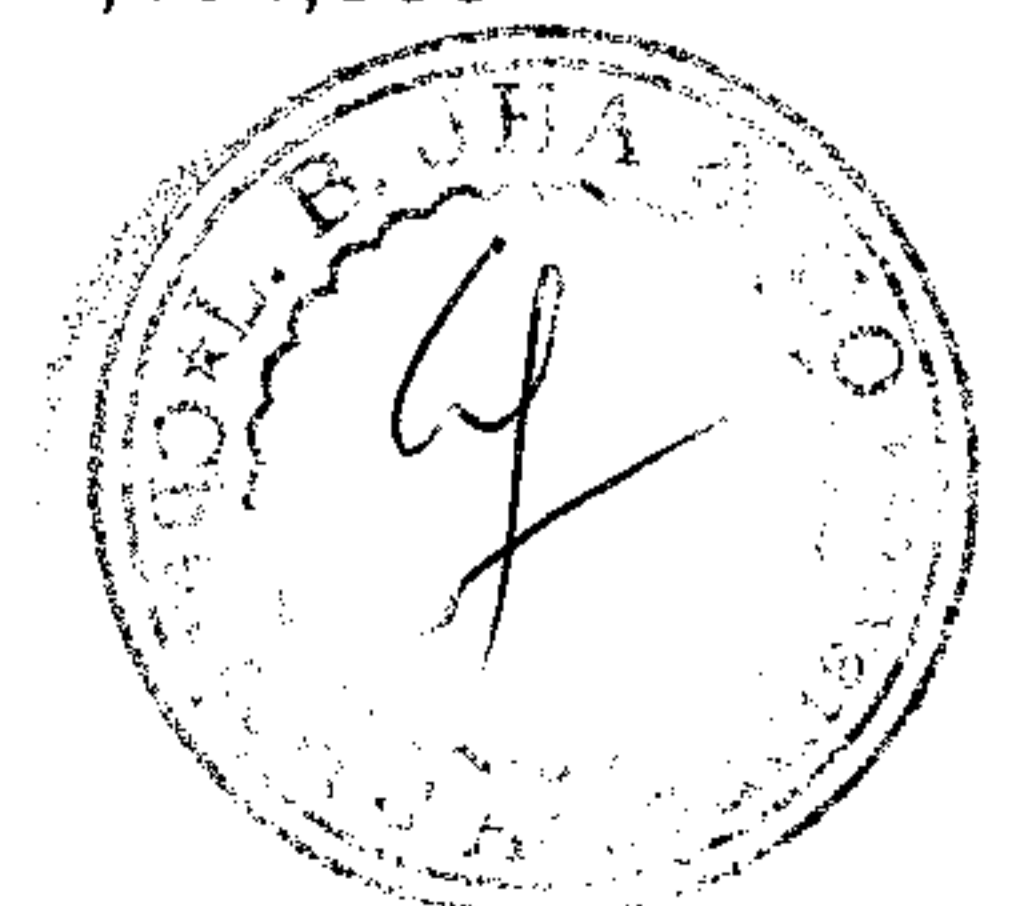
(C) Subsidiaries:-  
Shristi Urban Infrastructure Development Limited  
Shristi Udaipur Hotels & Resorts Private Limited  
Vivekananda Skyroad Limited  
Border Transport Infrastructure Development Limited  
East Kolkata Infrastructure Development Private Limited  
World City Development Private Limited  
Kanchanjanga Integrated Infrastructure Development Private Limited  
Medinet Services Private Limited  
Vitthal Hospitality Private Limited  
Finetune Engineering Services Private Limited  
Vipani Hotels Private Limited

(D) Joint Ventures:  
Bengal Shristi Infrastructure Development Limited  
TSCCF Shristi Infrastructure Development Limited  
Shristi Hotel Private Limited

Transactions with the above parties are as below:

Nature of Transaction	Balance as on 01.04.2012 (Rs.)	Paid during the year (Rs.)	Received during the year (Rs.)	Balance as on 31.03.2013 (Rs.)
<b><u>A. Holding Company</u></b>				
<b><u>Shristi Infrastructure Development Corporation Limited</u></b>				
Amount payable	74,89,78,678	58,88,90,614	47,82,89,241	63,83,77,305
<b><u>B. Subsidiaries Companies:</u></b>				
<b><u>SUIDL</u></b>				
Short Term Advance	1,17,57,647	97,11,161	72,35,648	1,42,33,160
Interest Receivable (Net of TDS)	-	-	-	18,31,168
Investment in Shares	2,99,99,600	-	-	2,99,99,600
<b><u>Border Transport Infrastructure Development Limited</u></b>				
Short Term Advance	4,84,00,000	2,53,30,000	-	7,37,30,000
Security Deposit Received	20,00,00,000	-	-	20,00,00,000
Investment in Shares	2,87,85,000	-	-	28,785,000
<b><u>World City Private Limited</u></b>				
Investment in Shares	21,94,000	-	-	2,194,000





SHRITI HOUSING DEVELOPMENT PRIVATE LIMITED

Notes to Financial Statements for the year ended 31<sup>st</sup> March 2013.

**Shristi Udaipur Hotels & Resort Private Limited**

Short term Advance	21,40,17,086	3,81,19,962	48,00,000	24,73,37,049
Investment in Shares	1,95,00,000	-	-	1,95,00,000

**Kanchanjanga Integrated Infrastructure Development Private Limited**

Investment in Shares	36,97,000	-	-	36,97,000
Debentures	12,13,00,000	-	-	12,13,00,000
Debenture Interest (Net of TDS)	3,00,07,600	1,64,72,540	-	4,64,80,140

**East Kolkata Infrastructure Development Limited**

Investment in Shares	9,50,000	-	-	9,50,000
Short Term Advance	1,59,75,000	63,90,000	-	2,23,65,000

**Vitthal Hospitality Private Limited**

Investment in Shares	3,77,49,000	-	-	3,77,49,000
Short Term Advance	5,01,47,000	2,94,66,000	1,11,00,000	6,85,13,000

**Medinet Services Private Limited**

Investment in Shares	300,000	-	-	300,000
Advance	2,67,91,500	1,11,000	-	2,69,02,500

**Vivekananda Sky Road Limited**

Investment in Shares	96,52,000	-	-	96,52,000
Advance	8,00,000	4,50,000	-	12,50,000

**Finetune Engineering Services Private Limited**

Investment in Shares	1,04,10,000	-	-	1,04,10,000
Advance	-	10,122	-	10,122

**Vipani Hotels Private Limited**

Investment in Shares	27,80,080	-	-	27,80,080
Advance	-	38,74,000	-	38,74,000

**C. Joint Venture Companies**

**Shristi Hotel Private Limited**

Security Deposit Received	12,00,00,000	-	-	12,00,00,000
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**Bengal Shristi Infrastructure Development Limited**

Loan Paid	47,77,98,187	25,45,48,745	61,80,55,000	11,42,91,932
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**TSCCF Shristi Infrastructure Development Limited**

Short Term Advance	6,88,219	2,44,77,912	2,13,00,000	38,66,131
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SHRITI HOUSING DEVELOPMENT PRIVATE LIMITED

Notes to Financial Statements for the year ended 31<sup>st</sup> March 2013.

28. There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2013. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company

29. Disclosure under Accounting Standard – 7 'Construction Contracts'

In Lakhs

Particulars	31 <sup>st</sup> March 13	31 <sup>st</sup> March 12
Contract revenue recognized as revenue for the year ended 31st March	3457.88	1770.25
Aggregate amount of contract costs incurred and recognized Profits (Less recognized losses) up to 31st March for all the contracts in progress.	11803.79	7815.00
The amount of customer advances outstanding for contracts in progress as at 31st March.	10145.38	4905.06
The Amounts of retentions from customers for contracts in progress as at 31st March.	3549.36	7802.96

30. Previous year's figures have been regrouped / rearranged wherever necessary.



For and on behalf of the Board

Managing Director

Director

Company Secretary