

Ref.SA/S/16R

**INDEPENDENT AUDITOR'S OPINION**

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

**A. Report on the Financial Statements**

We have audited the accompanying financial statements of Shristi Housing Development Ltd. ("the Company"), comprising the Balance Sheet as at 31<sup>st</sup> March, 2014, 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**

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**

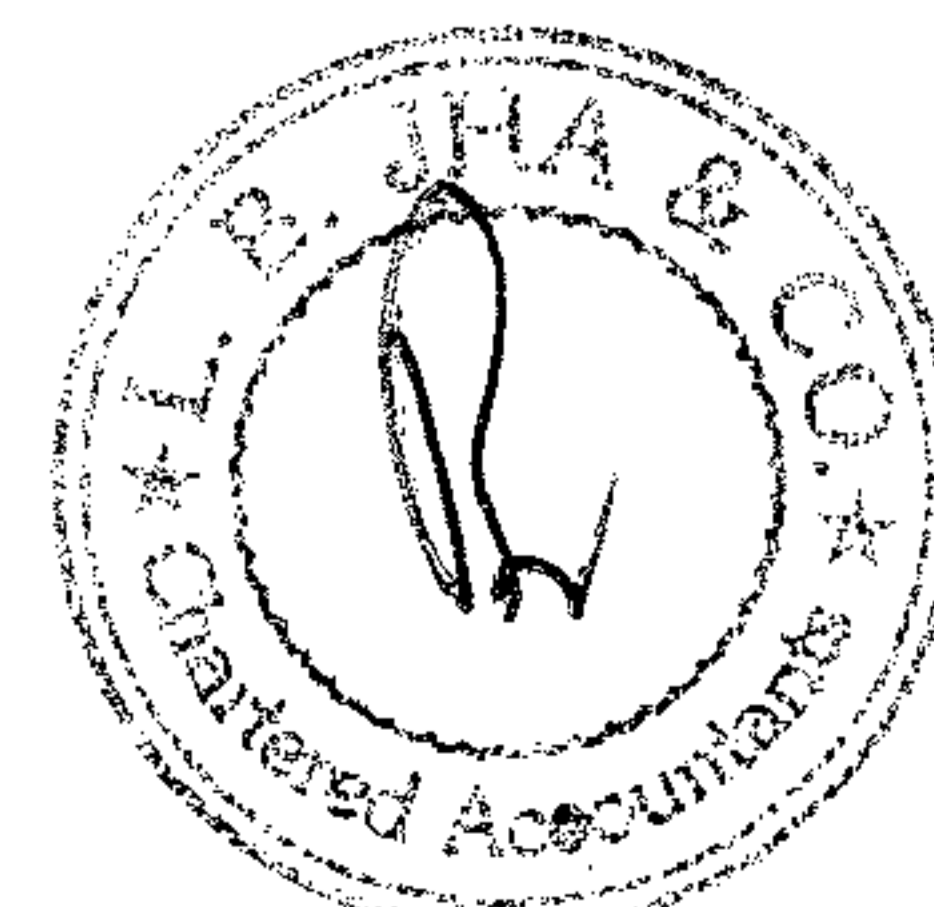
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and 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, 2014;
- (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, 2014 taken on record by the Board of Directors, none of the directors are disqualified as on 31<sup>st</sup> March, 2014 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

  
(B. N. Jha)  
Partner

Membership No: 51508

Place : Kolkata  
Date : 26<sup>th</sup> May, 2014

**ANNEXURE TO THE AUDITORS' REPORT**

**To the members of Shristi Housing Development Ltd.**

[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 manner at reasonable intervals which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were 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 seven companies covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year as well as the balance at the year-end of such loans aggregates to Rs.5241.52 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. We are therefore unable to comment on the terms of recovery.
  - (d) The company has taken an unsecured loan from one company covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year as well as the year-end balance of such loan was Rs.68.47 lacs.
  - (e) In our opinion, the rate of interest and other terms and conditions of loan taken by the company are not prima facie prejudicial to the interest of the company.
  - (f) There is no stipulation regarding repayment of loan and interest. We are therefore unable to comment on the terms of repayment.
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. 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 exceeding the value of rupees five lakhs in respect of any party during the year made in pursuance of such contracts or arrangements have been made 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 broadly reviewed 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 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, in our opinion, the company is generally regular in depositing 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 other material statutory dues as applicable, with the appropriate authorities except dues in respect of VAT and Works Contract Tax. The extent of the arrears of statutory dues outstanding as at 31<sup>st</sup> March 2014, for a period of more than six months from the date they became payable, in respect of works contract tax are as follows-

Nature of statute	Nature of dues	Amount (Rs)	Period to which the amount relates	Due Date	Date of Payment
West Bengal Value Added Tax, 2003	Works Contract Tax	45,04,551	August 2012 to March 2014	21 <sup>st</sup> of the following month	Unpaid

(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, 2014 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.

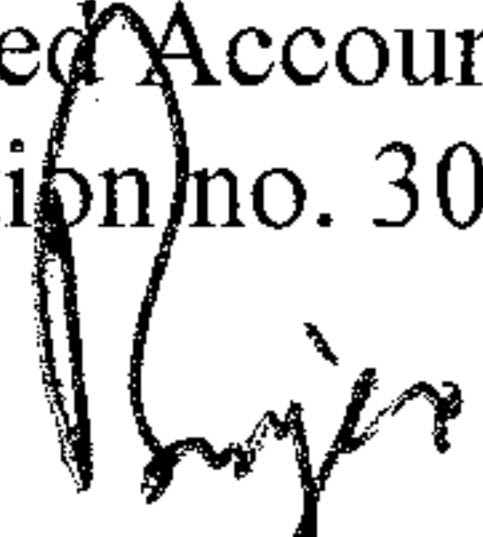
12. Based on our evaluation of documents and records and according to the information and explanations given by the Management, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. In our opinion and according to the explanations received from 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.

Place : Kolkata  
Date : 26<sup>th</sup> May, 2014

For L.B Jha & Co.,  
Chartered Accountants  
(Registration no. 301088E)  
  
( B. N. Jha )  
Partner  
Membership No.51508

**SHRISTI HOUSING DEVELOPMENT LIMITED**

(In Rupees)

Balance Sheet as at March 31, 2014

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	2,413,691,678	2,409,502,323
<b>Non-Current Liabilities</b>			
Long term borrowings	4	1,218,166,390	1,389,922,557
Other Long term liabilities	5	1,204,063,620	513,363,620
Long term Provisions	6	728,890	566,454
<b>Current Liabilities</b>			
Short term borrowings	7	881,521,285	1,062,351,713
Trade payables	8	706,382,691	597,859,631
Other Current liabilities	9	334,847,683	309,412,350
Short term Provisions	10	1,972,843	5,306,622
<b>TOTAL</b>		<b>7,263,575,080</b>	<b>6,790,485,270</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	11	1,216,535,163	1,212,032,958
Intangible assets - Development Rights		43,189,590	43,189,590
Non-current investments	12	2,593,266,680	2,714,566,680
Deferred tax assets (net)	13	86,503	94,491
Long term loans and advances	14	200,587,860	200,411,860
<b>Current assets</b>			
Current investments			
Inventories	15	916,994,579	691,813,786
Cash and cash equivalents	16	26,685,045	10,352,563
Short term loans and advances	17	2,266,229,660	1,918,023,342
<b>TOTAL</b>		<b>7,263,575,080</b>	<b>6,790,485,270</b>

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)

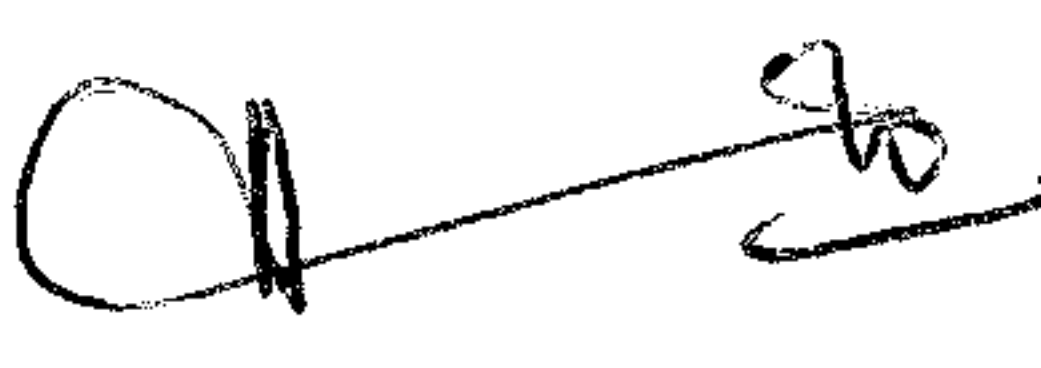


(B.N. Jha)  
Partner  
Membership No. 51508

Place : Kolkata

Date : 26 MAY 2014

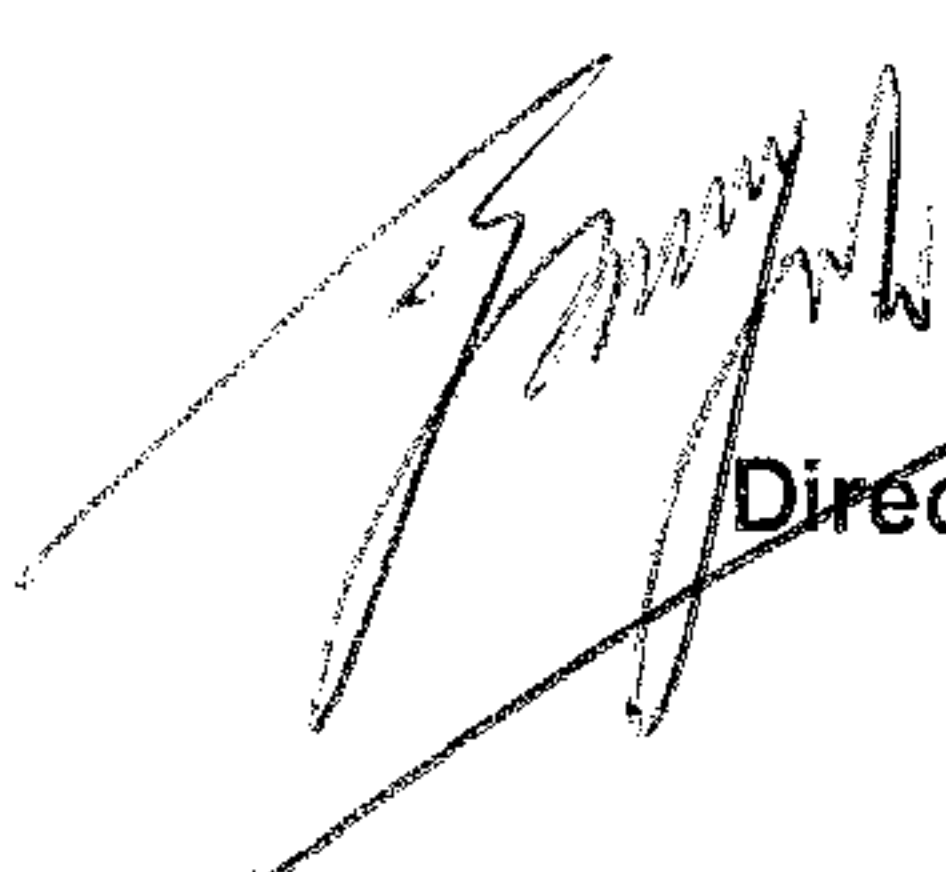
For and on behalf of the Board



Managing Director



Company Secretary



Director

**SHRISTI HOUSING DEVELOPMENT LIMITED**

**Statement of Profit & Loss for the year ended March 31, 2014**


(In Rupees)

Particulars	Notes	Figures for the	
		current reporting period	Figures for the previous reporting period
<b>III. INCOME</b>			
Revenue from operations	18	178,622,247	345,788,610
Other Income	19	7,360,703	127,923
<b>Total Revenue</b>		<b>185,982,950</b>	<b>345,916,533</b>
<b>IV. EXPENSES</b>			
(Increase)/Decrease in Stock	20	(226,842,467)	(201,529,079)
Direct Project Expenses	21	175,106,653	329,866,313
Employee benefit expense	22	17,557,014	16,431,185
Finance costs	23	182,136,032	169,475,771
Depreciation and amortization expenses	11	574,225	123,691
Other expenses	24	36,337,647	29,214,128
<b>Total Expenses</b>		<b>184,869,104</b>	<b>343,582,009</b>
<b>V. Profit/(Loss) before exceptional and extraordinary items and tax</b>	(III - IV)	1,113,846	2,334,524
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax	(V - VI)	1,113,846	2,334,524
VII. Extraordinary Items		-	-
IX. Profit before tax	(VII - VIII)	1,113,846	2,334,524
X. Tax Expense:-		-	-
- (1) Current tax		300,000	800,000
- (2) Income Tax for earlier year		(3,383,498)	14,990
- (3) Deferred tax		7,989	(20,346)
XI. Profit/(Loss) of the period from Continuing operation after tax	(IX - X)	4,189,355	1,539,880
<b>XII. Earning per Equity Share (Face value of Rs. 10 each)</b>			
(1) Basic	25	0.08	0.03
(2) Diluted	25	0.08	0.03

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)

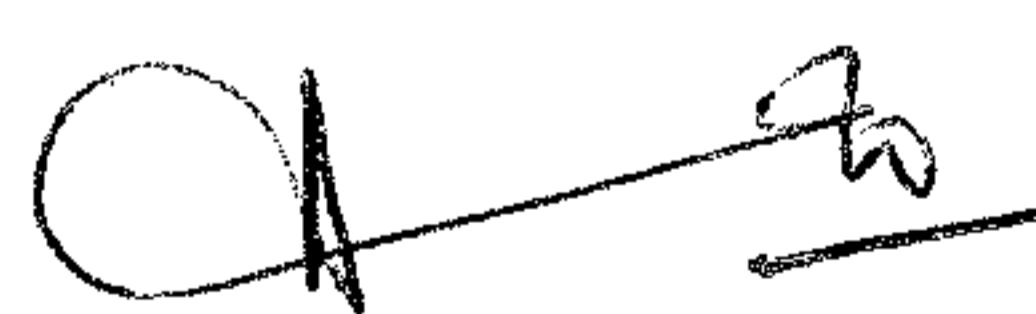
  
(B.N. Jha)  
Partner

Membership No. 51508

Place : Kolkata

Date : 26 MAY 2014

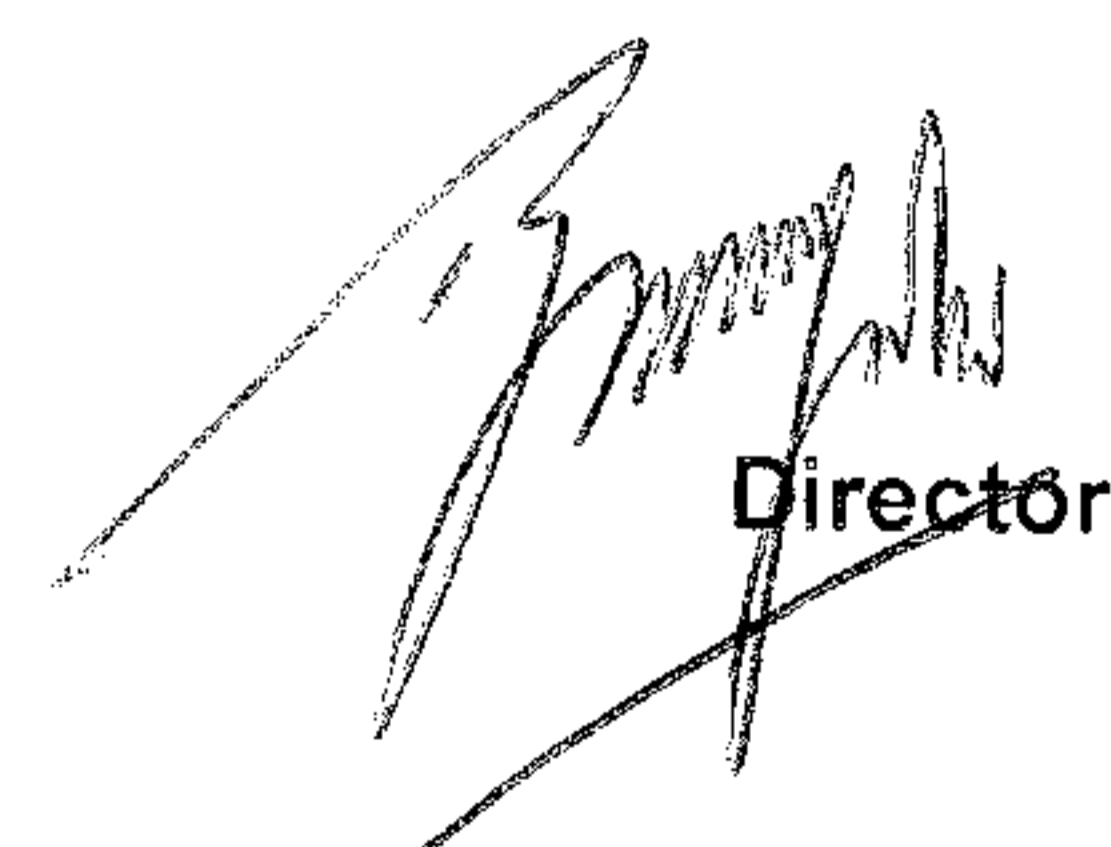
For and on behalf of the Board



Managing Director



Company Secretary



Director




**SHRISTI HOUSING DEVELOPMENT LIMITED**  
**Cash Flow Statement for the year ended 31st March, 2014**



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>1,113,846</b>	<b>2,334,524</b>
Adjustments for		
Depreciation	574,225	123,691
Divident Income	(65,999)	(29,999)
Interest Income	(29,145,789)	(71,670,088)
Loss on Sale of Land	-	382,941
Interest Charges	207,572,433	236,370,452
<b>Operating Profit before working capital changes</b>	<b>180,048,716</b>	<b>167,511,521</b>
Adjustments for:		
(Increase) / Decrease in long term Loans and Advances	(176,000)	(200,203,406)
(Increase) / Decrease in short term Loans and Advances	(392,667,119)	183,038,512
(Increase) / Decrease in Inventory	(225,180,793)	(201,033,218)
Increase / (Decrease) in Long term Provisions	162,436	140,743
Increase / (Decrease) in Short term Provisions	(3,333,779)	-
Increase / (Decrease) in Trade payables	108,523,060	228,652,284
Increase / (Decrease) in Other Current liabilities	28,518,830	188,334,367
<b>Cash / (used in) From Operating Activities</b>	<b>386,595,351</b>	<b>366,440,802</b>
Taxes Paid	(2,019,339)	(3,036,723)
<b>Net Cash / (used in) From Operating Activities</b>	<b>384,576,012</b>	<b>363,404,079</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Purchase) / Sale of fixed Assets	(5,076,430)	7,804,350
Purchase of non- current Investments	121,300,000	-
Interest Received	75,625,929	55,197,548
Dividend Income	65,999	29,999
<b>Net Cash Flow / (used in) from investing activities</b>	<b>191,915,498</b>	<b>63,031,897</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts of Borrowings	(352,586,595)	(205,954,348)
Interest paid	(207,572,433)	(236,370,452)
<b>Net Cash Flow / (used in) from financing activities</b>	<b>(560,159,028)</b>	<b>(442,324,800)</b>
<b>D. Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>16,332,482</b>	<b>(15,888,824)</b>
Opening Cash and cash equivalents	10,352,563	26,241,386
Closing Cash and cash equivalents	26,685,045	10,352,562

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)  
  
(B.N. Jha)  
Partner  
Membership No. 51508

For and on behalf of the Board

  
Managing Director  
  
Company Secretary

  
Director

Place : Kolkata

Date : 26 MAY 2014

# SHRISTI HOUSING DEVELOPMENT LIMITED

Notes to Financial Statements for the year ended 31<sup>st</sup> March 2014.

## 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 and also the Revised Schedule VI as approved by the Act 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 estimates and assumptions that effect the reported accounts of assets and liabilities, disclosure 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.

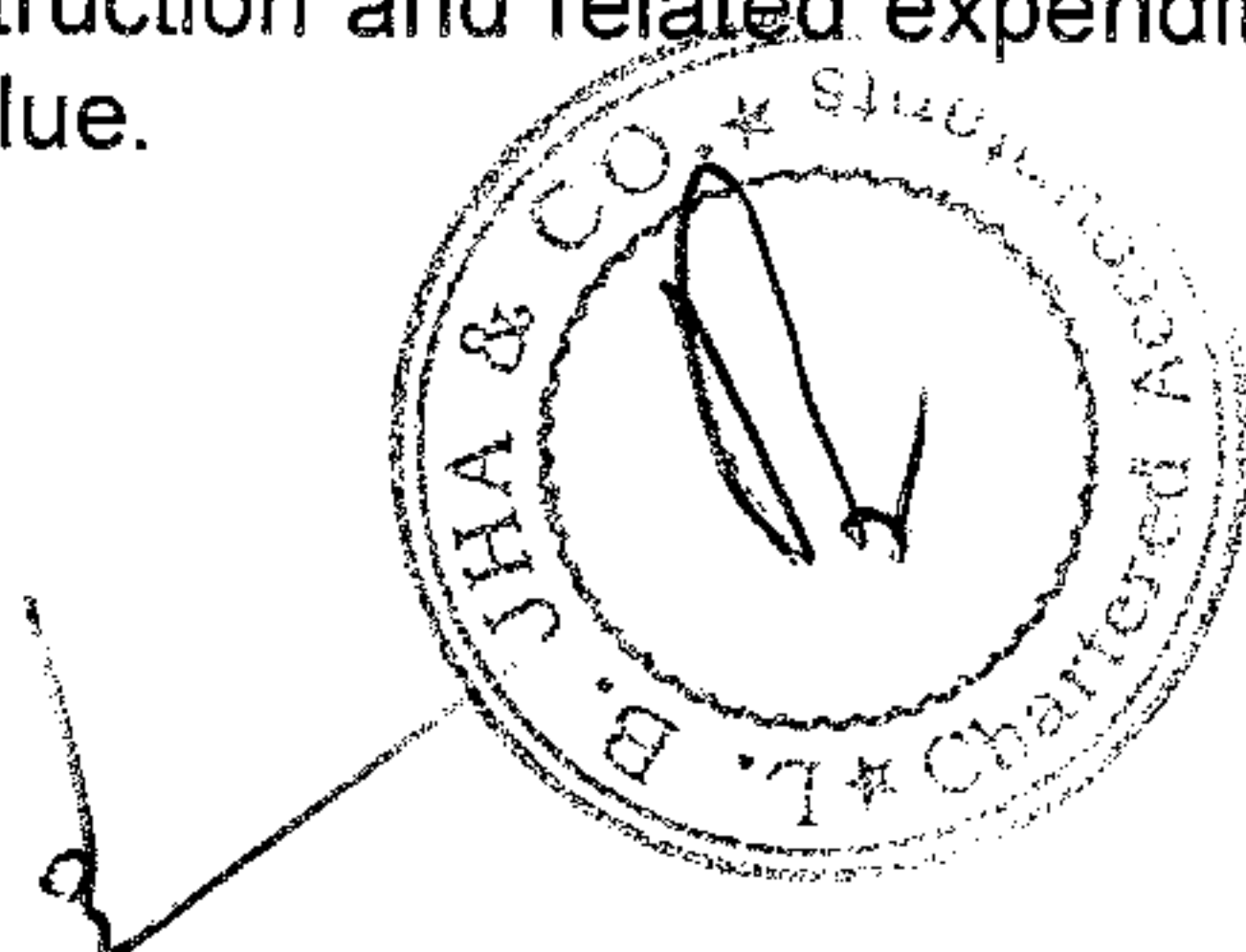
### g. **Retirement Benefits:**

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.



SHRISTI HOUSING DEVELOPMENT LIMITED

Notes to Financial Statements for the year ended 31<sup>st</sup> March 2014.

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.

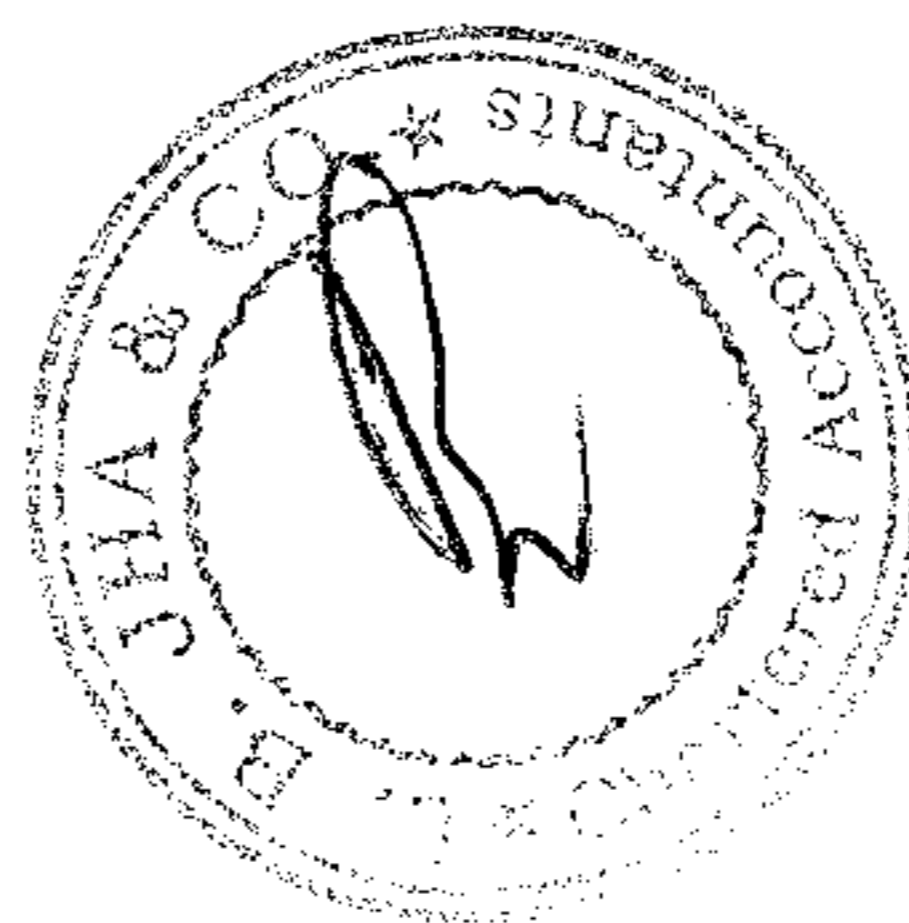
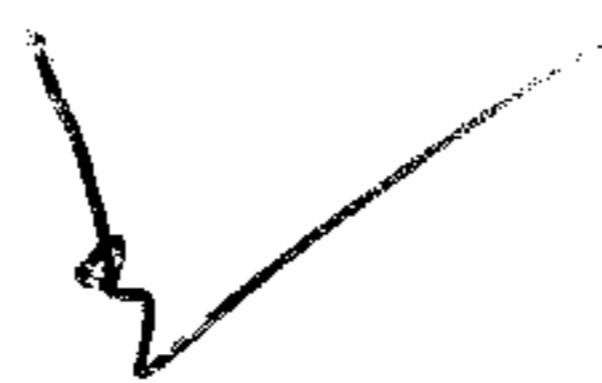
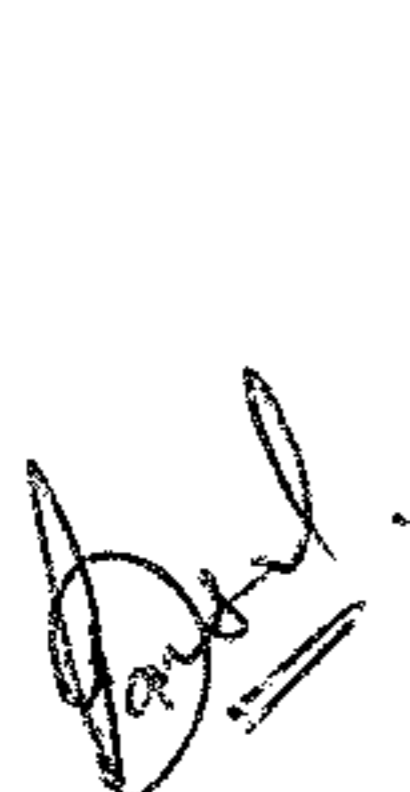
j. **Taxation:**

Current Tax is provided on assessable income as per Income Tax Act, 1961 in accordance with the tax Regulation as applicable to the company. Deferred Tax is recognized subject to consideration of prudence in respect of timing difference, which are capable of being reversed in future. The deferred tax charged or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred Tax Asset is recognized only to the extent there is reasonable certainty that the assets can be realized 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.

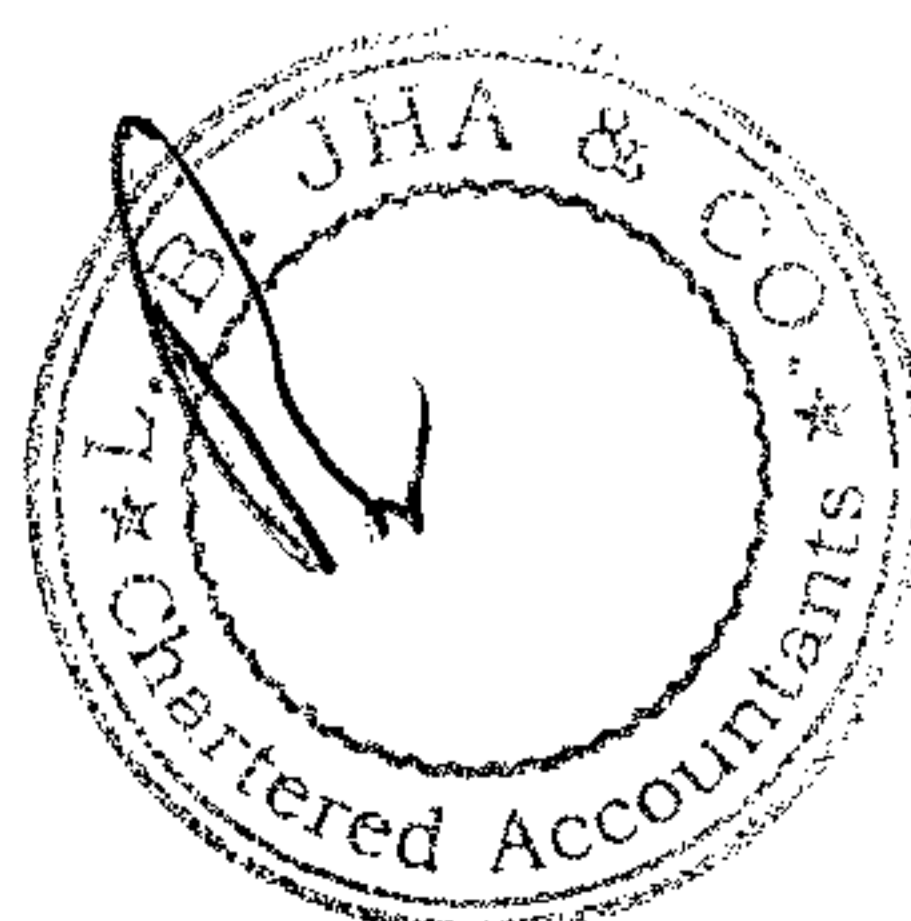
Contingent liability is disclosed when there is a present or possible obligation, the settlement of which may not involve an outflow of resources. No disclosure is made when the possibility of outflow of resource is remote.



	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>NOTE 2: Share Capital</b>		
<b>Authorised :</b> 5,10,00,000(Previous Year 5,10,00,000 Equity Shares of Rs.10/- each)	510,000,000	510,000,000
<b>Issued, Subscribed &amp; Paid-Up:</b> 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) Out of the above:	502,200,000	502,200,000
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)		
	<b>502,200,000</b>	<b>502,200,000</b>
<b>NOTE 3 : Reserves &amp; Surplus</b>		
<b>Reserves</b>		
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
<b>Surplus</b>		
Statement of Profit & Loss:		
As per last account	10,418,461	8,878,581
Add: Profit during the year	4,189,355	1,539,880
	14,607,816	10,418,461
	<b>2,413,691,678</b>	<b>2,409,502,323</b>
<b>NOTE 4 : Long-term borrowings</b>		
<b>SECURED LOAN</b>		
Srei Infrastructure Finance Limited	845,000,000	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,	371,700,000	499,922,557
(Loan is secured by a first charge on all present and future moveable fixed assets, entire current assets together with 4.5 acres of land)		
Car Loan From Bank	1,466,390	-
	<b>1,218,166,390</b>	<b>1,389,922,557</b>
<b>NOTE 5: Other Long Term Liabilities</b>		
Security Deposit Received	513,363,620	513,363,620
Advance from Body Corporate	690,700,000	-
	<b>1,204,063,620</b>	<b>513,363,620</b>
<b>NOTE 6: Long term Provisions</b>		
-Provision for Employee Benefits (Gratuity and Leave Encashment)	728,890	566,454
	<b>728,890</b>	<b>566,454</b>

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**SHRISTI HOUSING DEVELOPMENT LIMITED**  
**Notes to Financial Statements for the year ended 31st March 2014**

(In Rupees)

**NOTE 7 : Short-term borrowings**

**UNSECURED LOAN**

From Bank  
 From Body Corporates  
 From Holding Company

**SECURED LOAN**

Car Loan From Bank

	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
	-	423,974,408
	196,500,000	
	684,723,740	638,377,305
	297,545	-
	<b>881,521,285</b>	<b>1,062,351,713</b>

**NOTE 8: Trade payable**

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

	-	-
	706,382,691	597,859,631
	<b>706,382,691</b>	<b>597,859,631</b>

**NOTE 9: Other Current liabilities**

Income Received in Advance  
 Corpus Deposit  
 Expenses payable

	282,606,469	248,465,197
	8,686,511	6,138,952
	43,554,703	54,808,201
	<b>334,847,683</b>	<b>309,412,350</b>

**NOTE 10: Short term Provisions**

-Provision for Taxation

	1,972,843	5,306,622
	<b>1,972,843</b>	<b>5,306,622</b>





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**SHRISTI HOUSING DEVELOPMENT LIMITED**  
**Notes to Financial Statements for the year ended 31st March 2014**

**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	1,211,626,471			1,211,626,471			-	-	1,211,626,471	1,211,626,471
Vehicles	517,199	2,266,220		2,783,419	384,313	215,458		599,771	2,183,648	132,886
Furniture & Fixture	220,191	2,390,480		2,610,671	165,940	280,789	-	446,729	2,163,942	54,251
Office Equipment	281,328	373,730		655,058	122,229	51,186	-	173,415	481,643	159,099
Computers & Acessories	305,812	46,000	-	351,812	245,561	26,792	-	272,353	79,459	60,251
<b>Current Year</b>	<b>1,212,951,001</b>	<b>5,076,430</b>	<b>-</b>	<b>1,218,027,431</b>	<b>918,043</b>	<b>574,225</b>	<b>-</b>	<b>1,492,268</b>	<b>1,216,535,163</b>	<b>1,212,032,958</b>
<b>Previous 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>	

**SHRISTI HOUSING DEVELOPMENT LIMITED**  
Notes to Financial Statements for the year ended 31st March 2014

(In Rupees)

**NOTE 12: Non- Current Investments**  
(Unquoted - other than trade, at cost)  
Investment in Equity Instruments

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

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

**Fully paid up shares and securities**

**i) 'In Subsidiaries**

**In Shares**

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 & Resorts 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 Services 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

**In Debentures**

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
Optionally convertible Debentures of TSCCF Shristi Infrastructure Development Limited	2,475,000	-

**ii) 'In Joint Ventures**

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

**In Preference Shares**

TSCCF Shristi Infrastructure Development Limited 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
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**iii) 'In Others**

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
Suasth 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

**2,593,266,680**      **2,714,566,680**

**NOTE 13 :Deferred Tax Assets/(Liability)**

On account of Depreciation	117,504	150,491
Section 43B items	162,436	140,743
Net Difference	279,940	291,234
<b>Net Deferred Tax Assets</b>	<b>86,503</b>	<b>94,491</b>

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**SHRISTI HOUSING DEVELOPMENT LIMITED**  
**Notes to Financial Statements for the year ended 31st March 2014**

(In Rupees)

**NOTE 14: Long Term Loans and Advances**  
 Unsecured, Considered good.

Security and Other Deposits  
 -Government Authorities  
 -Others

	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
	14,252	114,252
	200,573,608	200,297,608
	<b>200,587,860</b>	<b>200,411,860</b>

**NOTE 15: Inventory**

Construction Material  
 Construction Work In Progress

	2,512,656	4,174,330
	914,481,923	687,639,456
	<b>916,994,579</b>	<b>691,813,786</b>

**NOTE 16: Cash and cash equivalents**

Cash in hand (as certified by Director)  
 Cash at Bank (with Scheduled Bank in Current Account)

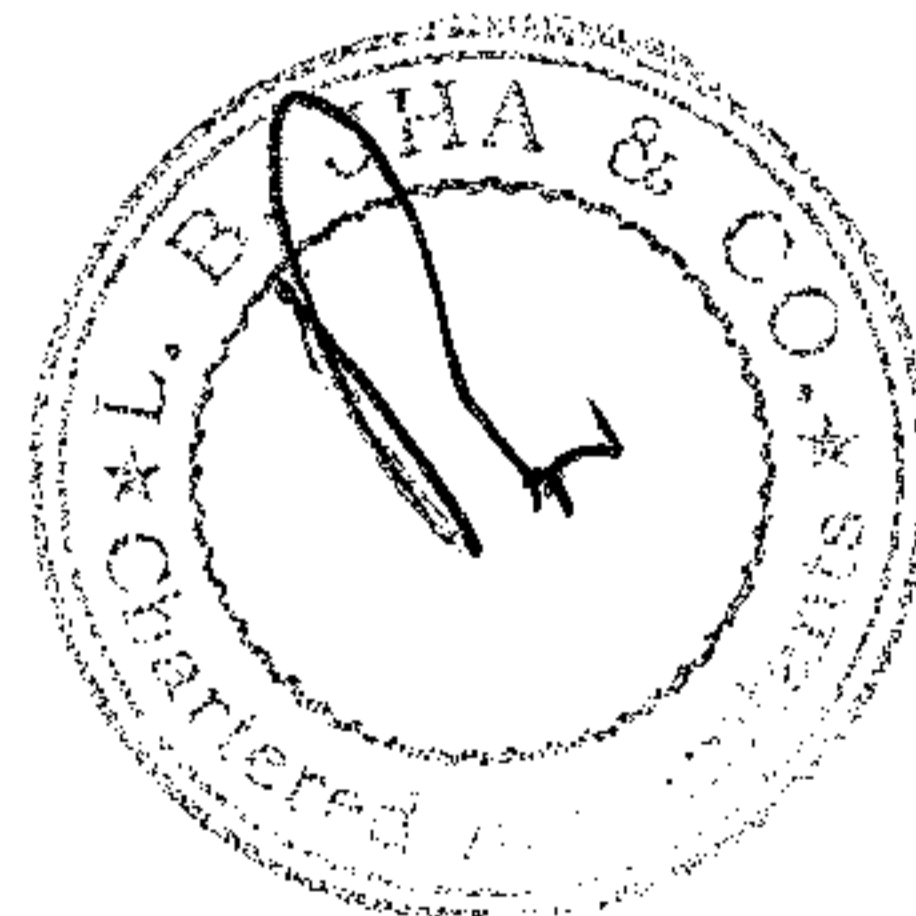
	84,402	10,612
	26,600,643	10,341,951
	<b>26,685,045</b>	<b>10,352,563</b>

**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

	840,593,862	578,204,062
	1,425,635,798	1,293,339,140
	-	46,480,140
	<b>2,266,229,660</b>	<b>1,918,023,342</b>

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**SHRISTI HOUSING DEVELOPMENT LIMITED**  
Notes to Financial Statements for the year ended 31st March 2014

(In Rupees)

	Figures for the current reporting period	Figures for the previous reporting period
<b>NOTE 18: Revenue from operations</b>		
Income from Development	178,622,247	345,788,610
	<b>178,622,247</b>	<b>345,788,610</b>
<b>NOTE 19: Other Income</b>		
Dividend Income on Long Term Investments	65,999	29,999
Miscellaneous Receipts	7,294,704	97,924
	<b>7,360,703</b>	<b>127,923</b>
<b>NOTE- 20 : (Increase) / Decrease in Stock</b>		
<b>Closing Stock:</b>		
Work in Progress	914,481,923	687,639,456
Less : Opening Stock		
<b>Work in Progress</b>	687,639,456	486,110,377
	<b>(226,842,467)</b>	<b>(201,529,079)</b>
<b>NOTE- 21 : Direct Project Expenses</b>		
Opening Stock	4,174,330	4,670,191
Add : Purchases	17,253,817	17,562,706
Less : Closing Stock	2,512,656	4,174,330
	18,915,491	18,058,567
Construction Expenses	152,908,021	310,664,807
Consumable and Fuel Expenses	-	5,719
Miscellaneous Site Expenses	3,283,141	1,137,220
	<b>175,106,653</b>	<b>329,866,313</b>
<b>NOTE 22: Employee benefit expense</b>		
Salaries, Wages, Gratuity & staff cost	16,694,739	14,749,339
Contribution to Provident Funds	753,347	694,578
Contribution to Provident Funds for Prior Periods		767,132
Staff Welfare	108,928	220,136
	<b>17,557,014</b>	<b>16,431,185</b>
<b>NOTE 23 : Finance cost</b>		
Interest (Net off with interest income of Rs. 2,91,45,789/- previous year Rs. 7,16,70,088/-)	181,465,148	165,884,946
Bank charges	670,884	3,590,825
	<b>182,136,032</b>	<b>169,475,771</b>
<b>NOTE 24: Other expense</b>		
Auditor's Remuneration:		
Statutory Audit Fees	89,888	56,180
Tax Audit Fees	22,472	22,472
Certification matters		33,708
Consultancy, Professional Fees and Other Service Charges	13,998,895	19,955,383
Rent	900,144	583,196
Rates and Taxes	1,904,637	251,485
Electricity Charges	338,625	427,011
Loss on sale of land	-	382,941
Insurance Charges	184,776	43,190
Filing Fees	25,903	17,686
Travelling and Conveyance Expenses	4,723,385	2,777,304
Advertisement	4,414,412	879,047
Miscellaneous Expenses	9,734,510	3,784,525
	<b>36,337,647</b>	<b>29,214,128</b>
<b>NOTE 25: Earning Per Share</b>		
Net profit after tax as per profit and loss account (Rs.)	4,189,355	1,539,880
Weighted average number of Shares	50,220,000	50,220,000
Basic and Diluted Earnings Per Share (Rs.)	0.08	0.03
Face Value per Equity Share (Rs.)	10	10



SHRISTI HOUSING DEVELOPMENT LIMITED

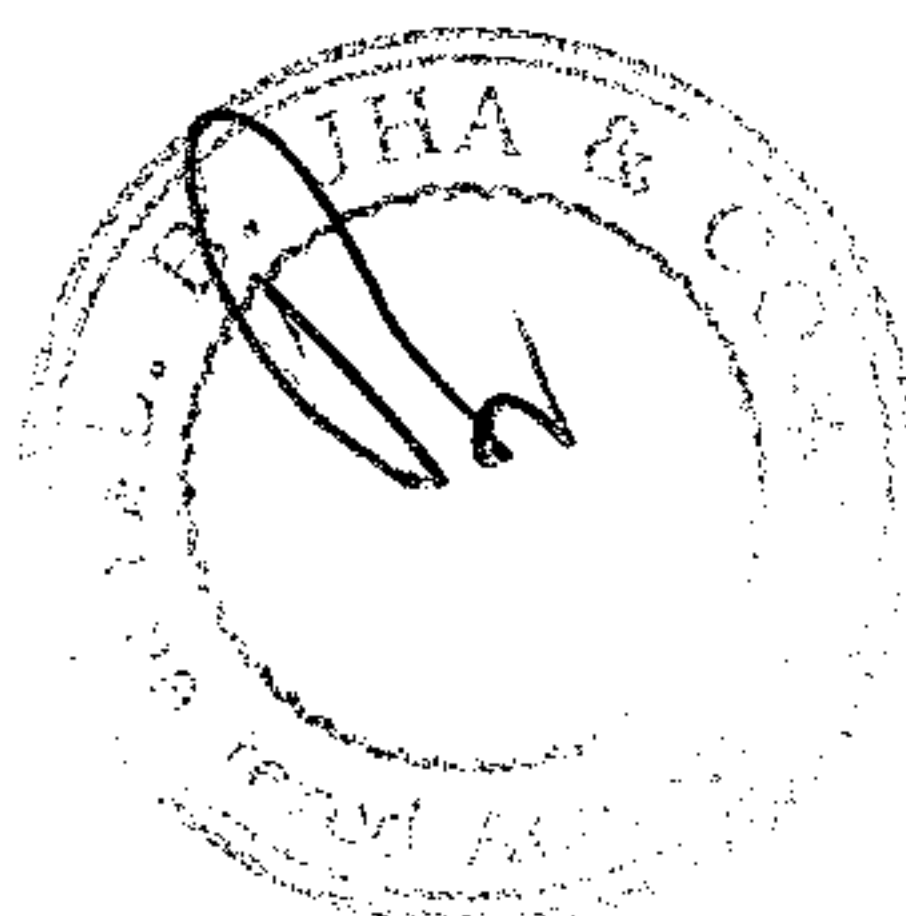
Notes to Financial Statements for the year ended 31<sup>st</sup> March 2014.

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	
		2013-14	2012-13	2013-14	2012-13
(i)	Net Employee expense/benefit				
	Current service cost	1,29,010	1,18,176	55,025	37,924
	Interest cost on benefit obligation	31,322	24,489	26,969	20,158
	Net Actuarial (gains)/loss recognized in the period	(46,090)	(1,05,069)	7,584	1,26,732
	Total employer expense	1,14,242	37,596	89,578	1,84,814
(ii)	Actual return on plan assets			-	-
(iii)	Movement in benefit liability				
	Opening defined benefit obligation	2,90,899	2,53,303	2,75,555	1,72,408
	Interest cost	31,322	24,489	26,969	20,158
	Current service cost	1,29,010	1,18,176	55,025	37,924
	Actuarial (gains)/losses on obligation	(46,090)	(1,05,069)	7,584	1,26,732
	Benefits paid	-	-	41,384	(81,667)
	Closing benefit obligation	4,05,141	2,90,899	3,23,749	2,75,555
(iv)	The Principal actuarial assumptions are as Follows:				
	Discount rates	8.25%	8.25%	8.25%	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 8% per annum to 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 8% per annum to 1% per annum, depending on duration and age of the employees

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SHRISTI HOUSING DEVELOPMENT LIMITED

Notes to Financial Statements for the year ended 31<sup>st</sup> March 2014.

27. Related Party Transactions

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

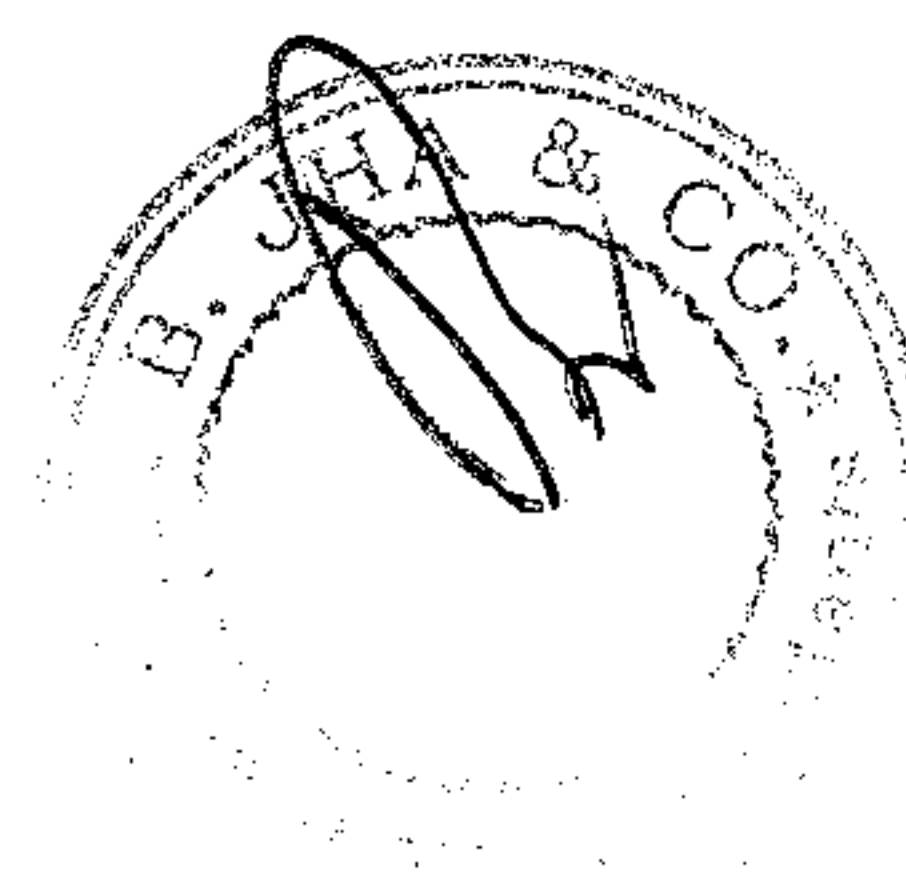
(B) Holding :-  
Shristi Infrastructure Development Corporation Limited

(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 01.04.2013 (Rs.)	Paid during the year (Rs.)	Received during the year (Rs.)	Balance as on 31.03.2014 (Rs.)
<b><u>A. Holding Company</u></b>				
<b><u>Shristi Infrastructure Development Corporation Limited</u></b>				
Amount payable (Loan)	638,377,305	576,305,287	622,651,722	684,723,740
Amount payable (Creditors)	573,022,869	14,054,000	84,765,530	643,734,399
<b><u>B. Subsidiaries Companies:</u></b>				
<b><u>SUIDL</u></b>				
Short Term Advance	16,064,328	7,860,000	5,100,000	18,824,328
Interest Receivable (Net of TDS)	-	-	-	1,987,850
Investment in Shares	29,999,600	-	-	29,999,600
<b><u>Border Transport Infrastructure Development Limited</u></b>				
Short Term Advance	73,730,000	27,386,000	-	101,116,000
Security Deposit	-	-	-	-
Received	200,000,000	-	-	200,000,000
Investment in Shares	28,785,000	-	-	28,785,000



SHRISTI HOUSING DEVELOPMENT LIMITED

Notes to Financial Statements for the year ended 31<sup>st</sup> March 2014.

**World City Private Limited**

Short Term Advance	-	17,433	-	17,433
Investment in Shares	2,194,000	-	-	2,194,000

**Shristi Udaipur Hotels & Resort Private Limited**

Short term Advance	247,337,049	41,588,102	-	288,925,151
Investment in Shares	19,500,000	-	-	19,500,000

**Kanchanjanga Integrated Infrastructure Development Private Limited**

Investment in Shares	3,697,000	-	-	3,697,000
Debentures	121,300,000	-	121,300,000	-
Debenture Interest (Net of TDS)	46,480,140	1,046,835	47,526,975	-
Short term Advance Interest Receivable (Net of TDS)	-	35,050,000	50,000	35,000,000
	-	-	-	3,981,573

**East Kolkata Infrastructure Development Limited**

Investment in Shares	950,000	-	-	950,000
Short Term Advance	22,365,000	1,285,000	-	23,650,000

**Vitthal Hospitality Private Limited**

Investment in Shares	37,749,000	-	-	37,749,000
Short Term Advance	68,513,000	32,160,000	23,302,683	77,370,317

**Medinet Services Private Limited**

Investment in Shares	300,000	-	-	300,000
Short Term Advance	26,902,500	2,552,951	-	29,455,451

**Vivekananda Sky Road Limited**

Investment in Shares	9,652,000	-	-	9,652,000
Short Term Advance	1,250,000	793,199	-	2,043,199

**Finetune Engineering Services Private Limited**

Investment in Shares	10,410,000	-	-	10,410,000
Short Term Advance	10,122	511	-	10,633

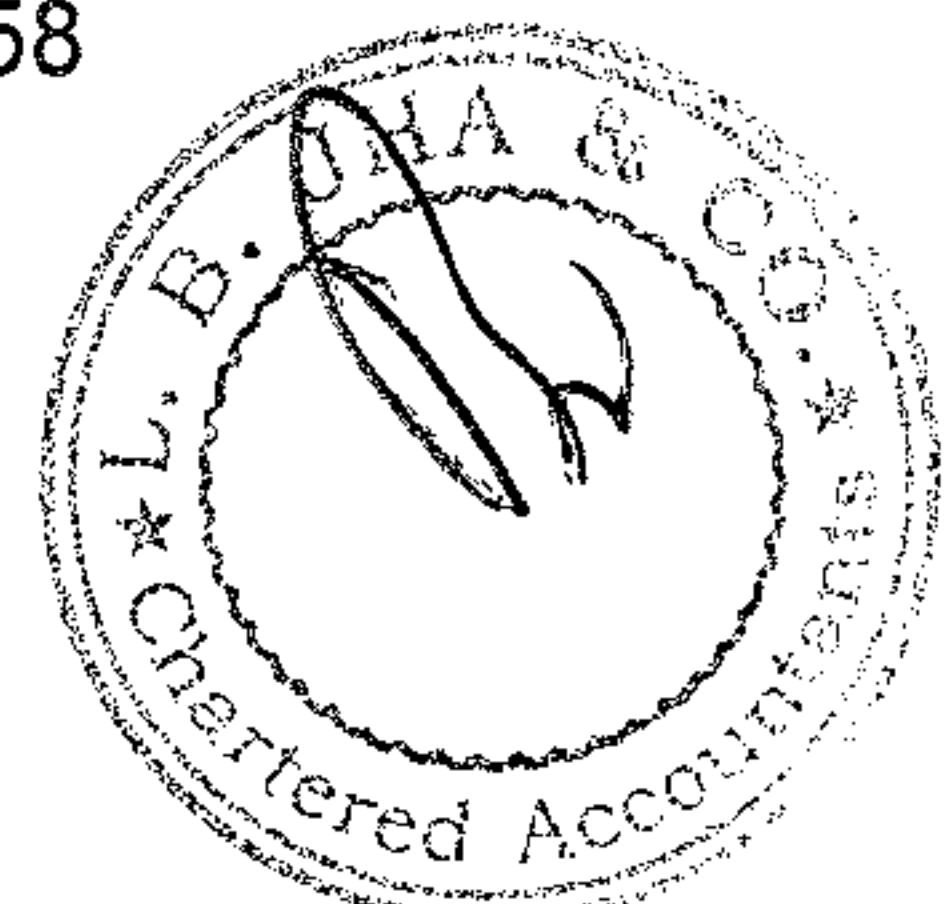
**Vipani Hotels Private Limited**

Investment in Shares	2,780,080	-	-	2,780,080
Short Term Advance	3,874,000	373,258	-	4,247,258

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SHRISTI HOUSING DEVELOPMENT LIMITED

Notes to Financial Statements for the year ended 31<sup>st</sup> March 2014.

**C. Joint Venture Companies**

**Shristi Hotel Private Limited**

Security Deposit Received	120,000,000	-	-	120,000,000
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**Bengal Shristi Infrastructure Development Limited**

Short Term Advance Interest Receivable (Net of TDS)	114,291,932	203,349,000	84,850,000	232,790,932
				20,777,450

**TSCCF Shristi Infrastructure Development Limited**

Short Term Advance Interest Receivable (Net of TDS)	3,866,131	10,182,000	14,048,131	-
				396,287

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 31<sup>st</sup> March, 2014. 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 14	31 <sup>st</sup> March 13
Contract revenue recognized as revenue for the year ended 31 <sup>st</sup> March	1786.22	3457.88
Aggregate amount of contract costs incurred and recognized Profits (Less recognized losses) up to 31 <sup>st</sup> March for all the contracts in progress.	14220.40	11803.79
The amount of customer advances outstanding for contracts in progress as at 31 <sup>st</sup> March.	12765.49	10145.38
The Amounts of retentions from customers for contracts in progress as at 31 <sup>st</sup> March.	1876.89	3549.36

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

For and on behalf of the Board

  
Managing Director

  
Director

  
Company Secretary

