

# **Vitthal Hospitality Pvt. Ltd.**

Plot No. X - I, 2 & 3, Block - EP, Sector - V,  
Salt Lake City, Kolkata - 700 091, Phone : +91 33 4020 2020 / 4015 4646  
Fax : +91 33 4020 2099

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

*Dear Shareholders,*

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

### **OPERATIONS**

The Company is yet to commence its commercial operation, therefore no profit & loss statement has been prepared for this financial year. The company has incurred Rs.3,81,84,396/- as work-in-progress during the year and the total amount of work-in-progress incurred on cumulative basis stood at Rs.31,63,36,633/-.

### **FIXED DEPOSIT**

The Company has not accepted any fixed deposits u/s 58A of the Companies Act, 1956 during the year under review.

### **PARTICULARS OF EMPLOYEES**

There was no employee in the company, in receipt of remuneration in excess of the amount prescribed under Section 217 (2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1988 as amended.

### **PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGES EARNINGS AND OUTGO**

Particulars of statement u/s 217 (1)(e) for conservation of Energy, Technology absorption are not given as the Company has not undertaken any manufacturing activity. During the year under review, the Company neither earned nor utilized any foreign exchange

### **DIRECTORS**

The Board has appointed Mr. Badri Kumar Tulsyan and Mr. Abhishek Bhardwaj as an Additional Directors of the Company w.e.f 30<sup>th</sup> October, 2012. They shall hold office upto the date of the ensuing Annual General Meeting and it is proposed to appoint them as a Directors of the Company at the said meeting.

During the year under review, Mr. Sunil Jha resigned from the Directorship of the Company on 30<sup>th</sup> October, 2012. The Board wishes to place on record its appreciation for the valuable services and guidance rendered by him during his tenure as the Director of the Company.

Mr. Rahul Varma continues to be the Director of the Company.

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

## COMPLIANCE CERTIFICATE U/S 383A OF THE COMPANIES ACT, 1956.

Compliance Certificate as required in case of your Company u/s 383A of the Companies Act, 1956 is being attached to this Report.

## 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 constantly and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March 2013.
- c) The proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- d) The Annual Accounts have been prepared on a going concern basis.

## AUDITORS


M/s. Lihala & 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 and the employees for their continued co-operation and support.

FOR AND ON BEHALF OF THE BOARD

  
(Badri Kr. Tulsyan)  
Director

  
(Rahul Varma)  
Director

Place : Kolkata

Date : 24<sup>th</sup> May, 2013

Under Rule 3 of the Companies (Compliance Certificate) Rules, 2001

CIN: U55101WB2006PTC112076

Authorised Capital: RS, 40,000,000.00

To,

The Members

**M/S VITTHAL HOSPITALITY PRIVATE LIMITED**

Plot No. X-1, 2 & 3, Block –EP

Sector –V, Salt Lake City,

Kolkata-700091

I have examined the registers, records, books and papers of **M/S VITTHAL HOSPITALITY PRIVATE LIMITED** of Plot No. X-1, 2 & 3, Block-EP, Sector-V, Salt Lake City, Kolkata-700091 as required to be maintained under the Companies Act, 1956, and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended 31<sup>st</sup> March, 2013. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in respect of the aforesaid period:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries there in have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional director, Central Government, Company Law Board or other authorities, wherever applicable, within the time prescribed under the Act and the rules made there under.
3. The company being a private limited company, has the minimum prescribed paid up Capital and its maximum number of members during the said period was within the limit, excluding its present and past employees and the company during the period under scrutiny:
  - a. has not invited public to subscribe for its Shares and Debentures; and
  - b. has not invited or accepted any deposit from persons other than its members, directors or their relatives.
4. The Board of Directors duly met eight times on 07/04/2012, 24/05/2012, 06/07/2012, 01/12/2012, 18/07/2012, 05/09/2012, 30/10/2012 and 26/03/2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.





5. The company has not closed its Register of Members during the period.
6. The Annual General Meeting of the Company for the financial year ended 31<sup>st</sup> March, 2012 was held 19<sup>th</sup> September, 2012 after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not made any loans to its Directors or persons or firms or companies in which directors are interested as referred to under section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of Directors, Members or the Central Government, as the case may be.
12. The Company has not issued any duplicate certificates during the period.
13. The Company:
  - a. was not required to deliver share certificates as there was no allotment, transfer or transmission of shares during the period.
  - b. has not deposited any amount in a separate bank account as no dividend was declared during the period.
  - c. has not posted warrants to any member of the company as no dividend was declared during the period.
  - d. has duly complied with the requirement of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and appointment of additional directors, alternate directors and directors to fill casual vacancies were duly made during the period.
15. There was no appointment of Managing Director/Whole Time Director/Manager made during the financial year.
16. The Company has not appointed any sole-selling agent during the period.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/ or such other authorities prescribed under the various provisions of the act.

18. The Directors have disclosed their interest in other firms / companies to the board to directors pursuant to the provisions of the act and the rules made there under.
19. The Company has not issued any shares and debentures during the period.
20. The Company has not bought back shares during the period.
21. There was no redemption of preference shares or debentures during the period.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited /accepted any public deposit including any unsecured loans falling within the purview of section 58A during the period.
24. The Company has complied with the requirements of the provisions of sections 293(1)(d) of the Act.
25. The Company has complied with the provisions of section 372A regarding loans and investments or advances or giving of guarantee or providing securities to other bodies corporate.
26. The Company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one to another state during the period under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the company during the period under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to name of the company during the period under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the company during the period under scrutiny.
30. The Company has not altered its articles of association during the period.
31. There was no prosecution initiated against or show cause notices received by the company during the period, for offences under the act.
32. The company has not received any sum as security from its employees during the period under certification.
33. The company has not deducted any contribution towards provident fund during the period so the provisions of section 418 of the Act are not applicable to the company.

Place: Kolkata

Dated: 22/05/2013

ANAND KHANDELIA  
C.P. NO. 5841

**Annexure – 'A'**

**Registers Maintained by the Company:**

1. Register of Members under section 150.
2. Register of Debenture under section 152 (2).
3. Register of Transfer under section 108.
4. Minutes book of Board of Directors Meeting and General Meeting under section 193.
5. Register of Contracts under section 301.
6. Register of Directors under section 303.
7. Register of Directors shareholding under section 307.
8. Registers of charges under section 143.

**Annexure – 'B'**

**List of forms & return filed by the Company with the Registrar of Company, Regional Directors, Central Government & other authorities during the year ended 31<sup>st</sup> March, 2013.**

1. Form 32 dated 30/10/2012 filed u/s 303(2) on 31/10/2012
2. Form 23AC XBRL & 23ACA XBRL for the period ended 31/03/2012 filed u/s 220 on 14/12/2012
3. Form 20B for the period ended 19/09/2012 filed u/s 159 on 17/11/2012
4. Form 66 for the period ended 31/03/2012 filed u/s 383A on 16/10/2012





**AUDITORS' REPORT**

**To**  
**The Members of**  
**VITTHAL HOSPITALITY PRIVATE LIMITED**

We have audited the accompanying financial statements of **VITTHAL HOSPITALITY PRIVATE LIMITED**, which comprise the Balance Sheet as at 31st March, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

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 principles generally accepted in India including Accounting Standards referred to in Section 211(3C) 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.

**Auditor's 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 ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

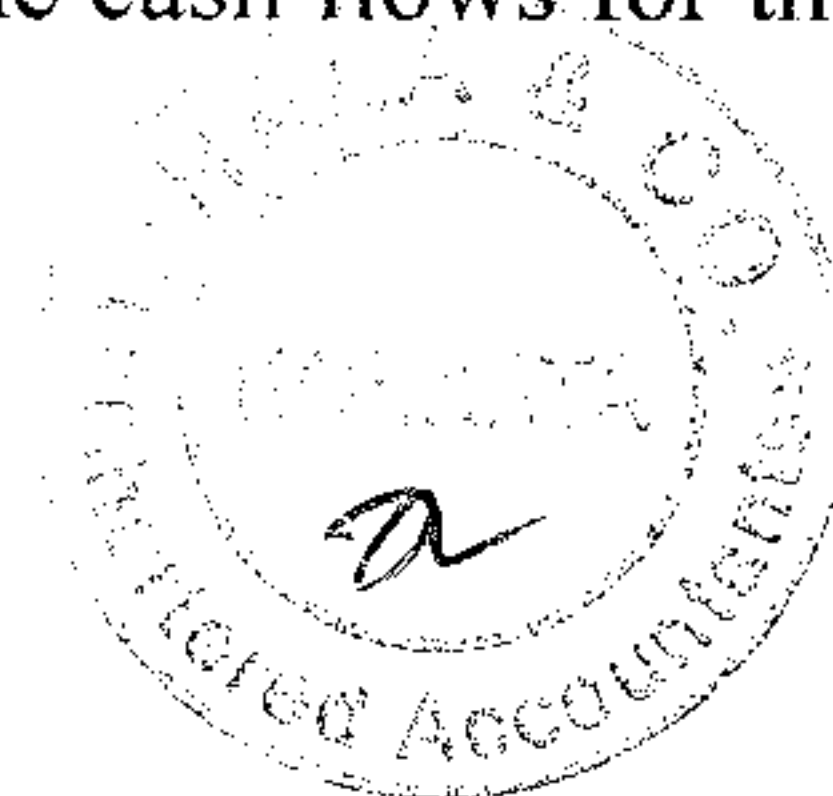
An audit involves performing procedure to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 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.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 March 31, 2013;
- (b) In the case of the Statement of Profit and Loss, of the profit/loss for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



(2)

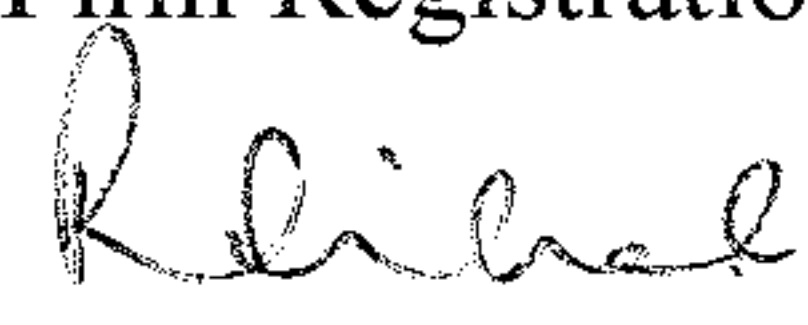
## Report on Other Legal and Regulatory Requirements

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 said 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 purpose of our audit;
  - b. In our opinion, proper books of accounts as required by law have been kept by the Company, so far as it appears from our examination of these books;
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - e. On the basis of the written representations received from directors of the Company as at 31st March, 2013 and taken on record by the Board of Directors, we report that no director is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

Place: 11, Crooked Lane,  
Kolkata – 700 069

Date: <sup>15</sup>24 day of May, 2013



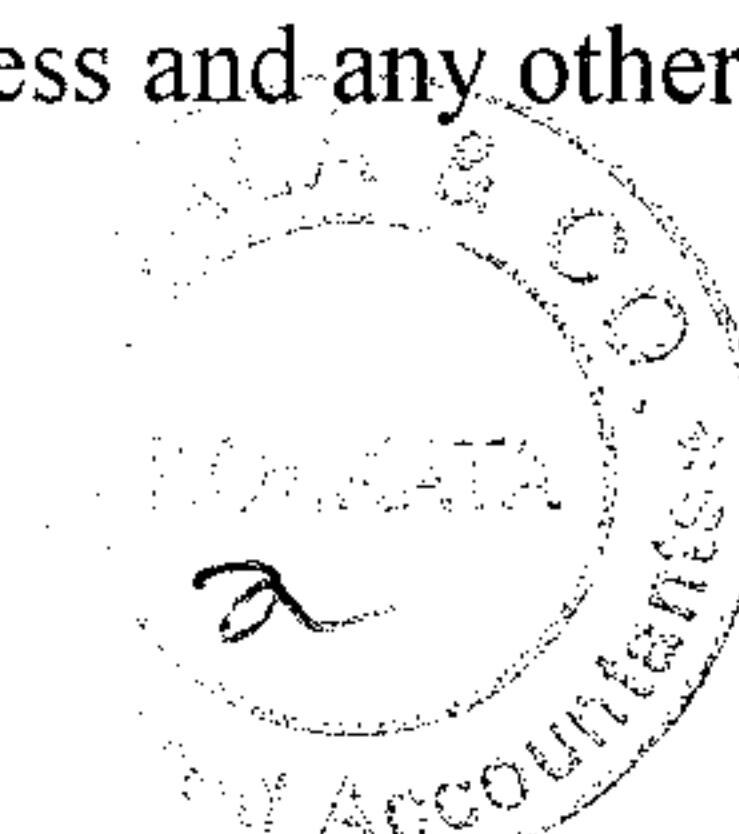
For Lihala & Co.  
Chartered Accountants  
Firm Registration No. 315052E  
  
R. Lihala  
Partner  
M. No. 52138



**ANNEXURE TO THE AUDITORS' REPORT**

With reference to the Annexure referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date to the Members of **VITTHAL HOSPITALITY PRIVATE LIMITED** on the financial statement for the year ended 31st March, 2013, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) The Company has physically verified its fixed assets. No material discrepancies were noticed on such verification.  
(c) No fixed assets has been disposed off during the year.
- ii. (a) The inventory has been physically verified by the management during the current year. In our opinion, the frequency of such verification is reasonable.  
(b) The procedure for the physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between physical stocks and the book records were not material.
- iii. (a) The company has not granted any loan secured or unsecured to or from companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly clause 4(iii) (b) to (d) of the orders is not applicable.  
(e) According to the information and explanation given to us the company has taken loan from one party covered in the register maintained under section 301 of the Companies Act, 1956, and the amount involved is Rs.685.13 lakhs.
- iv. In our opinion, and according to the information and explanation given to us, there are adequate internal control procedure commensurate with the size of the Company and nature of its business for the purchase and sale of goods. During the course of our audit, no major weakness has been noticed in the internal control.
- v. The company has not entered into any transaction with the parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
- vi. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposit from Public under section 58A and 58 AA of the Companies Act, 1956.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. In our opinion, and according to the information and explanations given to us, maintenance cost records under Section 209(1)(d) of the Companies Act, 1956 has not been prescribed by the Central Government in case of this company.
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and any other dues applicable to it.



( 2 )

- (b) According to the information and explanations given to us, there are no undisputed amounts payable in respect of income tax/custom duty/wealth tax/cess/excise duty were outstanding as at 31.03.2013 for a period of more than six months from the date they become payable.
- x. In our opinion, the company did not have accumulated losses. The company has not incurred any cash losses during the financial year covered by our audit. Neither in the immediately preceding financial year company has suffered any cash loss.
- xi. The company has not defaulted in repayment of dues to bank during the year. The company has not issued any debenture during the year.
- xii. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund/nidhi/mutual benefit fund/society. Therefore the provision of clause 4 (xiii) of the Companies (Auditors Report) (Amendment) Order, 2004 are not applicable to the company.
- xiv. Based on our examination of the records and evaluation of the related internal controls, we are of the opinion that proper records have been maintained of the transaction and contracts and timely entries have been made in those records. We also report that the company has held the shares, securities, debentures and other securities in its own name.
- xv. In our opinion, the company has not given any guarantee for loan taken by others from bank and financial institutions.
- xvi. The company has not taken any term loan during the year.
- xvii. According to the information and explanations given to us, the funds raised on short term basis have not been used for long term investment.
- xviii. According to information given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix. The Company did not have outstanding debentures during the year. Accordingly, no securities have been created.
- xx. The Company has not raised any money by public issues during the year.
- xxi. According to information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

Place: 11, Crooked Lane,  
Kolkata – 700 069

Date: <sup>15</sup>24 day of May, 2013



For Lihala & Co.  
Chartered Accountants  
Firm Registration No. 315052E

R. Lihala  
Partner  
M. No. 52138

**Vitthal Hospitality Pvt Ltd.**  
**Balance Sheet as at March 31, 2013**

Amount (in Rs.)

Particulars	Notes	As at March 31, 2013	As at March 31, 2012
<b>I. EQUITY &amp; LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	37,750,000	37,750,000
Reserve and Surplus	3	-	-
<b>Non-Current Liabilities</b>			
Long term borrowings	4	200,000,000	200,000,000
<b>Current Liabilities</b>			
Short term borrowings	5	68,513,000	50,147,000
Trade payable	6	1,126,315	114,991
Other Current liabilities	7	34,169,822	12,539,365
<b>Total</b>		<b>341,559,137</b>	<b>300,551,356</b>

**II. ASSETS**

**Non-current assets**

<b>Fixed assets</b>			
Land	8	12,627,546	12,627,546
Non-current investments	9	-	250,000
Long term loans and advances		306,800	
Other non-current assets	10	25,700	25,700

**Current assets**

<b>Current investments</b>			
Inventories	11	316,336,633	278,152,237
Trade Receivables			
Cash and cash equivalents	12	3,797,381	483,696
Short term loans and advances	13	8,465,077	9,012,177

**Total**

**341,559,137                      300,551,356**

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 LIHALA & CO**

Chartered Accountants

*R. Lihal*

**R. LIHALA**

Partner

Membership No. 52138



for and on behalf of the Board

*[Signature]*  
Director

*[Signature]*  
Director

Place : 11, CROOKED LANE, KOLKATA - 700 069

Date : 24/05/2013



Vitthal Hospitality Pvt Ltd.

Statement of Profit & Loss for the Year ended 31st March, 2013

	Notes	31-Mar-13 Amount (in Rs.)	31-Mar-12 Amount (in Rs.)
<b>III. INCOME</b>			
Revenue from operations		-	-
<b>Total</b>		-	-
<b>IV. EXPENDITURE</b>			
(Increase) / Decrease in Inventories	14	(38,184,396)	(53,859,060)
Direct Project Expense	15	6,526,068	20,814,109
Employee Benefit Expense	16	3,139,613	2,826,873
Finance Costs	17	25,364,900	25,863,316
Depreciation and Amortisation Expense	8	-	-
Other Expense	18	3,153,815	4,354,762
<b>Total</b>		-	-
<b>Profit before Tax</b>			
V. Profit/(Loss) before exceptional and extraordinary items and tax	(III - IV)	-	-
VI. Exceptional items			
VII. Profit before extraordinary items and tax	(V - VI)	-	-
VII. Extraordinary Items		-	-
IX. Profit before tax	(VII - VIII)	-	-
X. Tax Expense:-			
- Current tax		-	-
- Deferred tax		-	-
XI. Profit/(Loss) of the period from Continuing operation after tax	(IX - X)	-	-
XII. Profit/(Loss) from Discontinuing operation			
XIII. Tax expense of discounting operation			
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)			
XV. Profit/(Loss) for the period (XI - XIV)		-	-
XVI. Earning per Equity Share (Face value of Rs. 10 each)			
(1) Basic			
(2) Diluted			

For LIHALA & CO  
Chartered Accountants

*R. Lihal*

R. LIHALA  
Partner  
Membership No. 52138



For and on Behalf of the Board

*[Signature]*  
Director

*[Signature]*  
Director

Place : 11, CROOKED LANE, KOLKATA - 700 069

Date : 24/05/2013

**Vitthal Hospitality Pvt Ltd.**  
**Cash Flow Statement for the year ended March 31, 2013**

Particulars	March 31, 2013 Amount (Rs.) Nil	March 31, 2012 Amount (Rs.) Nil
<b>A. CASH FLOW OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Taxation and Extraordinary activities	-	-
Adjustments for Profit & Loss A/c		
Increase / (Decrease) in depreciation		
Operating Profit Before Working Capital Changes		
Adjustments for:		
(Increase) / Decrease in Trade Receivable	-	-
(Increase) / Decrease in Inventories	(38,184,396)	(53,859,060)
(Increase) / Decrease in Loan & Advances	240,300	22,014,091
Increase / (Decrease) in Short Term Borrowings	18,366,000	50,147,000
Increase / (Decrease) in Trade Payable	1,011,324	101,678
Increase / (Decrease) in Other Current Liabilities	21,630,457	(17,742,460)
Net Cash From Operating Activities	<u>3,063,685</u>	<u>661,249</u>
<b>B. CASH OUTFLOW</b>		
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Purchase)/ Sale of Fixed Assets	-	-
Preliminary Expenses	-	-
(Purchase)/ Sale of Investments	250,000	(250,000)
	<u>250,000</u>	<u>(250,000)</u>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceed from issue of Shares	-	-
Increase / (Decrease) in Long term borrowings	-	-
	<u>-</u>	<u>-</u>
<b>D. Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	3,313,685	411,249
Opening Cash and cash equivalents	483,696	72,447
Closing Cash and cash equivalents	3,797,381	483,696
<b>Closing Cash and cash equivalents as per Balance Sheet</b>	<u><u>3,797,381</u></u>	<u><u>483,696</u></u>

Note:

<sup>1</sup> Figures in brackets denote cash outflow

**For LIHALA & CO**  
Chartered Accountants

*R. Lihal*

**R. LIHALA**  
Partner  
Membership No. 52138



for and on behalf of the Board

*[Signature]*  
Director

*[Signature]*  
Director

Place : 11, CROOKED LANE, KOLKATA - 700 069

Date : 24/05/2013

## Vitthal Hospitality Pvt Ltd.

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

### Note -1: Significant Accounting Policies & Practices

#### 1. SIGNIFICANT ACCOUNTING POLICIES:

##### 1.1 Basis of Accounting

The Company prepares its financial statements in accordance with generally accepted accounting practices and also in accordance with requirements of Companies Act, 1956.

##### 1.2 Fixed Assets:

Land is stated at cost of acquisition plus other attributable expenditure. Cost of land shall be amortized in proportion to the percentage of completion of the total project upon recognition of revenue.

##### 1.3 Revenue Recognition

Income from construction activities shall be provided on the basis of percentage of completion method, i.e if the completion of the project is more than 25% of the project cost as well as Sales of more than 25% of the total Sales Value is achieved.

##### 1.4 Miscellaneous Expenditure

Miscellaneous Expenditure to the extent not written off is carried forward to be charged to revenue over five years starting from the year of commencement of commercial activity.

##### 1.5 Contingent Liability

No provision is made for liabilities which are contingent in nature, unless it is probable that future events will confirm that an asset has been impaired or a liability incurred as at the balance sheet date and a reasonable estimate of the revenue loss can be made. However, all known material contingent liabilities are disclosed by way of separate note.





**Vitthal Hospitality Pvt Ltd.**  
**Notes to financial statements for the year ended 31st March, 2013**

	March 31, 2013 (Rs.)	March 31, 2012 (Rs.)
<b>NOTE - 2</b>		
<b>Share Capital</b>		
<b>Authorised :</b>		
40,00,000 (P.Y 40,00,000) Equity Shares of Rs.10/- each	40,000,000	40,000,000
<b>Issued, Subscribed &amp; Paid-Up:</b>		
37,75,000 (PY 37,75,000) Equity Shares of Rs.10/- each fully paid up in cash	37,750,000	37,750,000
	<b>37,750,000</b>	<b>37,750,000</b>
<b>a) Rights, Preference, repayability and restriction, if any, on equity shares</b>	All general rights applicable as per Companies Act	

**b) Reconciliation of number of Shares outstanding at the beginning and end of the year**

Particulars	March 31, 2013		March 31, 2012	
	Number	Value	Number	Value
As at the beginning of the year	3,775,000	37,750,000	3,775,000	37,750,000
As at the end of the year	3,775,000	37,750,000	3,775,000	37,750,000

**c) Details of shareholders holding more than 5% shares in the company**

Name of the shareholder	March 31, 2013		March 31, 2012	
	Number	% holding	Number	% holding
Equity shares of Rs10 each fully paid				
- Shristi Housing Dev. Pvt.Ltd. and its nominees	3,774,900	99.99%	3,774,900	99.99%

**NOTE - 3**

**Reserve & Surplus**

**Profit & Loss**

Balance B/F from previous year	-	-
Add: Profit for the year	-	-
	-	-

**NOTE - 4**

**Long term borrowings**

**Secured**

Srei Infrastructure Finance Limited	200,000,000	200,000,000
(First Pari Passu charge by way of hypothecation of entire project assets and project receivables including stores, spares, tools and accessories)		
(repayable at the end of the 5th year from the date of disbursement)		
	<b>200,000,000</b>	<b>200,000,000</b>

**NOTE - 5**

**Short term borrowings**

**Unsecured**

From Holding Company	68,513,000	50,147,000
	<b>68,513,000</b>	<b>50,147,000</b>

**NOTE - 6**

**Trade Payable**

-Dues to Micro and Small Enterprises	-	-
-Dues to other than Micro and Small Enterprises	1,126,315	114,991
	<b>1,126,315</b>	<b>114,991</b>



*[Handwritten signature]*

**Vitthal Hospitality Pvt Ltd.**  
**Notes to financial statements for the year ended 31st March, 2013**

	March 31, 2013	March 31, 2012
	(Rs.)	(Rs.)
<b>NOTE - 7</b>		
<b>Other Current liabilities</b>		
Income received in Advance	29,024,875	9,275,179
Corpus Deposit	137,722	-
Salary Payable	416,281	243,853
Service Tax Payable	673,804	12,552
TDS Payable	2,551,295	2,997,281
Others	1,365,845	10,500
	<b>34,169,822</b>	<b>12,539,365</b>



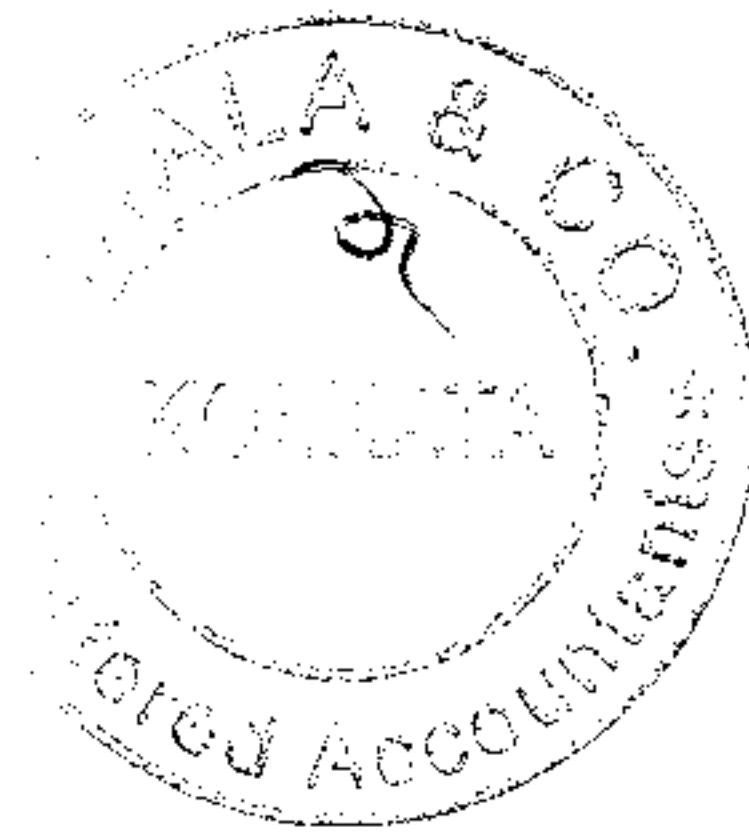
**VITTHAL HOSPITALITY PRIVATE LIMITED**

**Note - 8**

(Figures in Rs.)

**Capital Work in Progress**

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at 01.04.2012	Additions	Deduction/ Adjustments	As at 31.03.2013	As at 01.04.2012	Deprn. for the year	As at 31.03.2013	As At 31.03.2013	As At 31.03.2012
Land	12,627,546	-	-	12,627,546	-	-	-	12,627,546	12,627,546
Total	12,627,546	-	-	12,627,546	-	-	-	12,627,546	12,627,546
Pervious Year	12,627,546	-	-	12,627,546	-			12,627,546	-



*[Handwritten signatures]*



**Vitthal Hospitality Pvt Ltd.**  
**Notes to financial statements for the year ended 31st March, 2013**

	March 31, 2013 (Rs.)	March 31, 2012 (Rs.)
<b>NOTE - 9</b>		
<b>Non Current Investments</b>		
(Fully paid unless otherwise specified)		
- In Equity Shares, Unquoted		
Pavilion Hospitality Private Limited	-	250,000
<b>Total</b>	-	250,000
<b>NOTE - 10</b>		
<b>Other Non Current Assets</b>		
Preliminary Expenses	25,700	25,700
	<b>25,700</b>	<b>25,700</b>
<b>NOTE - 11</b>		
<b>Inventories (at Cost)</b>		
Project Work in Progress (As certified by management)	316,336,633	278,152,237
	<b>316,336,633</b>	<b>278,152,237</b>
<b>NOTE - 12</b>		
<b>Cash and cash equivalents</b>		
Cash-in-hand	8,706	45,455
Imprest A/c	178,090	7,966
Balances with schedule banks		
- in Current Accounts	3,610,585	430,275
	<b>3,797,381</b>	<b>483,696</b>
<b>NOTE -13</b>		
<b>Short term loans and advances</b>		
Unsecured, considered good		
Pavilion Hospitality Pvt Ltd	2,267,268	2,267,268
Prepaid Exp	38,633	32,625
Advance recoverable cash or kind	510,891	30,635
Advance to vendors	5,648,285	6,681,649
	<b>8,465,077</b>	<b>9,012,177</b>
<b>Note - 14</b>		
<b>Increase/(Decrease) in Inventories</b>		
Closing Stock		
Project Work in Progress	316,336,633	278,152,237
Less: Opening Stock		
Project Work in Progress	278,152,237	224,293,177
	<b>38,184,396</b>	<b>53,859,060</b>
<b>Note - 15</b>		
<b>Direct Project Expenses</b>		
Construction Expenses	6,526,068	20,814,109
	<b>6,526,068</b>	<b>20,814,109</b>
<b>Note - 16</b>		
<b>Employee benefit expense</b>		
Staff cost	3,139,613	2,826,873
	<b>3,139,613</b>	<b>2,826,873</b>



**Vitthal Hospitality Pvt Ltd.**  
**Notes to financial statements for the year ended 31st March, 2013**

	March 31, 2013 (Rs.)	March 31, 2012 (Rs.)
<b>Note - 17</b>		
<b>Finance cost</b>		
Interest -to Body Corporates	25,364,900	25,438,316
Loan Up-front fees	-	425,000
	<b>25,364,900</b>	<b>25,863,316</b>
<b>Note - 18</b>		
<b>Other expense</b>		
Professional Fees	906,640	2,726,000
Travelling & Conveyance	716,158	506,856
Printing & Stationery	87,894	51,982
Filing Fees	2,779	1,740
Bank Charges	3,064	11,940
Audit Fees	8,009	15,442
Administrative Exp.	1,429,271	1,105,092
Scrap Sale	-	(64,290)
	<b>3,153,815</b>	<b>4,354,762</b>



## Vitthal Hospitality Pvt Ltd.

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

19. Since the company has not yet sold 25% of its saleable area, sales is not yet recognized and all the expenses related to the projects including administrative expenses are treated as Project Work In Progress.

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

21. Contingent liabilities: Nil.

#### 22. Related Party Transactions

As per the Accounting Standard – 18, issued by the Institute of Chartered Accountants of India, the Company's related parties and transactions with them have been discussed below:

a. List of related parties & relationships, where control exists:

Holding company of Reporting Enterprise  
Shristi Housing Development Private Limited.

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

i. Key Management Personnel  
Mr. Badri Kr. Tulsyan: Director  
Mr. Rahul Verma Director

c. Transactions with Related Parties:

Relationship	Nature of Expenses Amount	Current Year (Rs.)	Previous Year (Rs.)
Holding company (SHDPL)	<b>Short Term Advance</b>		
	Opening balance	5,01,47,000	Nil
	Received during the year	2,94,66,000	5,01,47,000
	Paid during the year	1,11,00,000	Nil
	Closing Balance	6,85,13,000	5,01,47,000
	<b>Interest</b>	<b>Nil</b>	<b>Nil</b>

23. The Company has no amount due to suppliers under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED) as at 31.03.2013.

24. Expenditure in Foreign currency Rs Nil (Previous Year Rs. Nil).





## Vitthal Hospitality Pvt Ltd.

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

25. The Company has identified real estate construction as its sole operating segment and the same has been treated as the primary segment. As such no separate segment information has been provided.
26. During the year the company has changed the status of the Project from Capital Assets to Current Assets.
27. Since the company is not having any timing difference and permanent difference as prescribed under Accounting Standard – 22 issued by ICAI hence, provision of Deferred Tax is not required.
28. Previous Year figures have been re-grouped, re-classified and re- structured where ever necessary.

**For Lihala & Co.  
Chartered Accountants**



**(R Lihala)  
Partner**

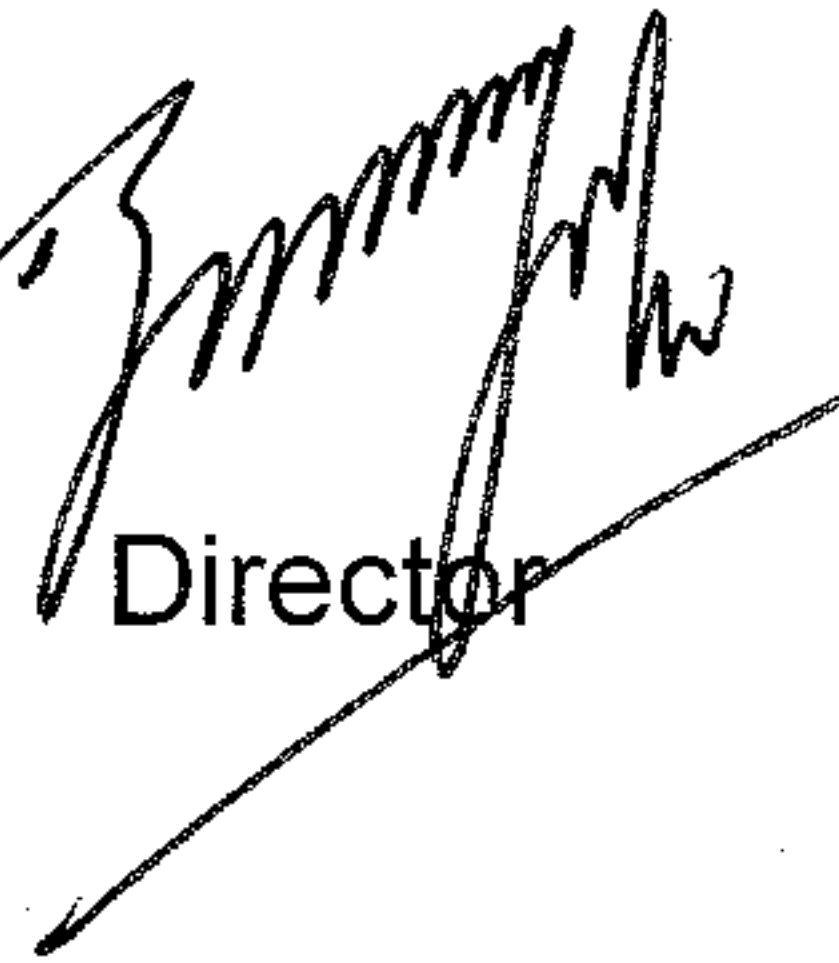
Membership No. 052138

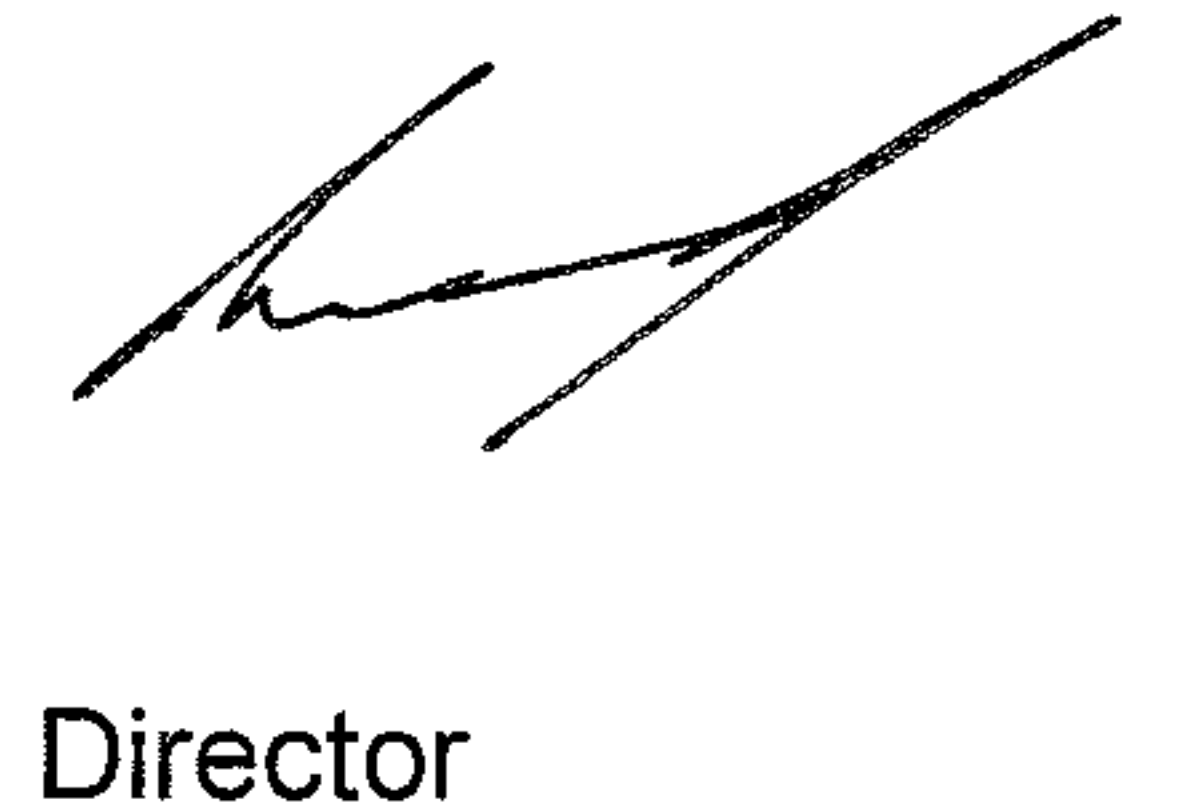
Place: Kolkata

Date:

**For and on behalf of the Board**



  
Director

  
Director