

# *R. Kothari & Company*

**CHARTERED ACCOUNTANTS**  
MUMBAI, KOLKATA, NEW DELHI

## INDEPENDENT AUDITOR'S REPORT

TO  
THE MEMBERS  
M/S VIVEKANANDA SKYROAD LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of **M/S VIVEKANANDA SKYROAD LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2014, Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information. No Statement of Profit & Loss is prepared as per Note No. 10 of the Financial Statements.

### 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 of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 notified under the Companies Act, 1956 read with the general circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. 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

1. 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 misstatement.
2. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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.



3. 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 said accounts read with 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:

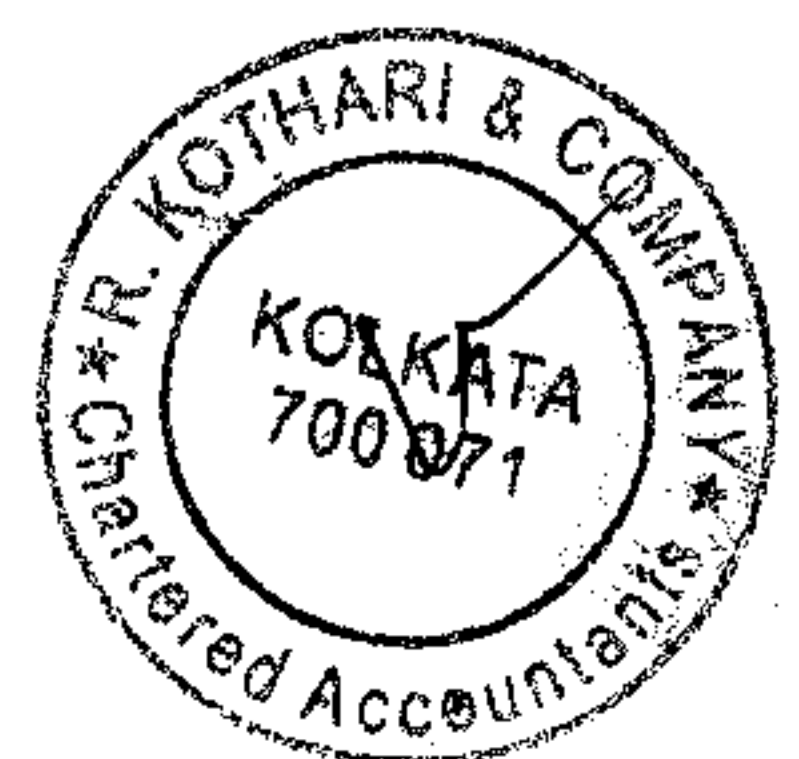
- (a) In the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2014;

And

- (b) In the case of the **Cash Flow Statement**, of the cash flows for the year ended on that date;

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 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:
  - i. 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;
  - ii. 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.
  - iii. The Balance Sheet and Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- iv. In our opinion, the Balance Sheet and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 notified under the Companies Act, 1956 read with the general circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.
  
- v. On the basis of written representations received from the directors as on 31st March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For R. Kothari & Company**  
Chartered Accountants  
FRN: 307069E

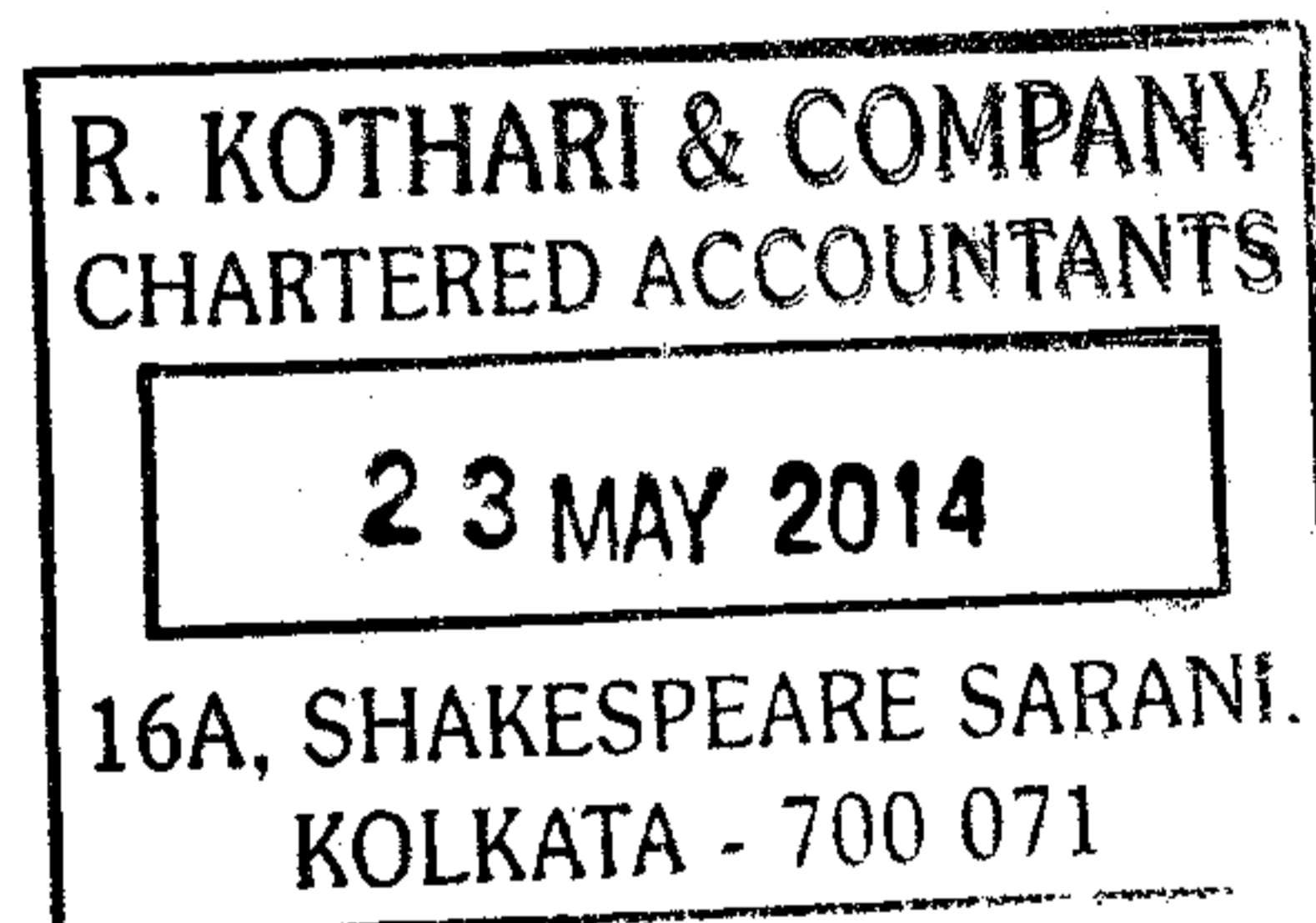


*(K. C. Soni)*  
Partner

Membership No.: 057620

Place: Kolkata

Date:



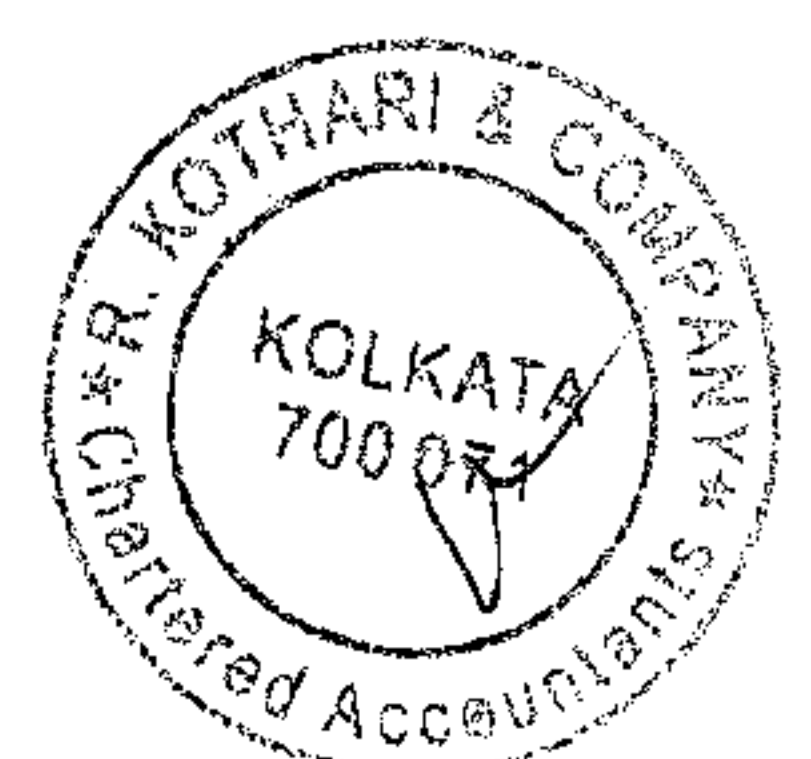


The Annexure referred to in paragraph 1 under the heading of "Report on other **Legal and Regulatory Requirements**" of even date to the members of **Vivekananda Skyroad Limited** on the accounts of the company for the year ended 31st March 2014. On the basis of such checks as we considered appropriate and accordingly to the information and explanations given to us during the course of our audit, we report that:

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed asset.
- (b) As explained to us all the assets have been physically verified by the management during the year and in our opinion the frequency of such verification is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) During the year, the company has not disposed off a substantial part of its fixed assets and the going concern status of the company is not affected.
- (ii) According to the information and explanations given to us, the company has no inventory at any time during the year. Therefore, the provisions of clause 4 (ii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (iii) (a) According to the information and explanation given to us, during the year, the Company has not granted any loan secured or unsecured to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 and as such, the provisions of clauses (iii)(a) to (iii)(d) of paragraph 4 of the Order, are not applicable;
- (b) According to the information and explanation given to us, the company has taken interest free unsecured loan from Holding Company which is covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum outstanding balance during the year was **Rs. 20,43,199** and the year end balance of loans taken from such companies was **Rs. 20,43,199**. Terms and conditions on which such loan are prima facie not prejudicial to the interest of the company.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate Internal Control Procedures commensurate with the size of the Company. Also, there is no continuing failure to correct major weaknesses in internal control.



- (v) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to under section 301 of the Companies Act 1956 have been entered into a register that is required to be maintained under that section.
- (vi) The Company has not accepted any deposits from the public and consequently, the directives issued by Reserve Bank of India and provisions of Section 58A and Section 58AA of the Companies Act, 1956 and the rules framed there under are not applicable.
- (vii) In our opinion, the Company has an Internal Audit System commensurate with its size and nature of its business.
- (viii) According to the information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under section 209(1) (d) of the Companies Act, 1956.
- (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 generally been regular in depositing undisputed statutory dues including, Income Tax, and other statutory dues during the year with appropriate authorities except trade licence and Professional Tax, which have not been deposited with the prescribed authority since last 3 financial years.
- (b) According to information and explanations given to us, undisputed amounts payable in respect of Service Tax were **Rs.1,32,912** in arrears, as at 31.03.2014 for a period of more than six months from the date they became payable.
- (c) According to the records of the company and the information and explanations given to us, there are no dues of Income Tax, etc., which have not been deposited on account of any dispute.
- (x) The Company has not started any commercial activities and no statement of Profit & Loss has been prepared, so clause (x) is not applicable.
- (xi) On the basis of the records examined by us and the information and explanations given by the management, the Company has not taken any loan from financial institutions and banks. Accordingly clause (xi) of the order is not applicable to the Company.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.



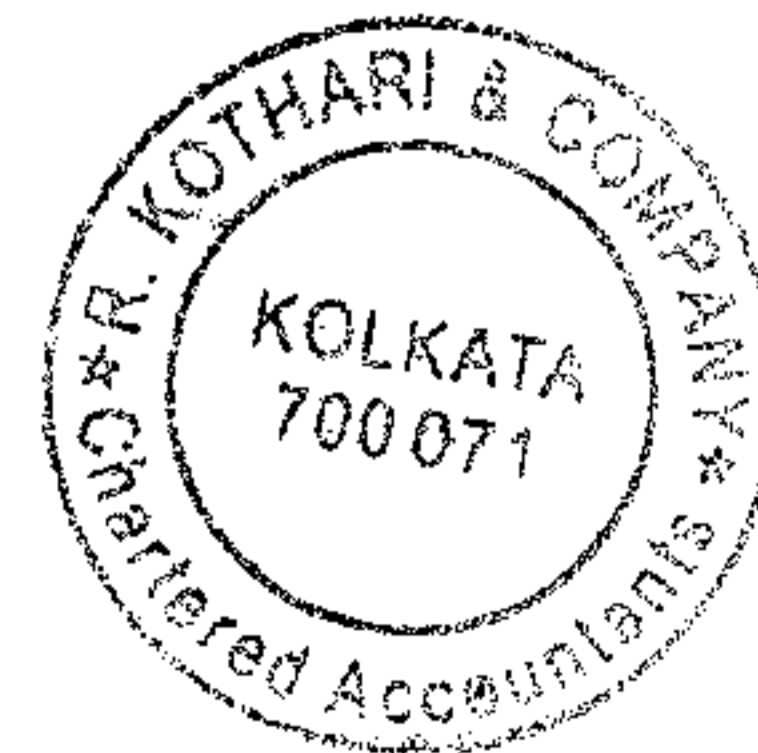


- (xiii) In our opinion, the Company is not a chit fund or a Nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) According to the information and explanations given to us, the Company is not dealing or trading in securities and accordingly clause (xiv) of the order is not applicable to the Company.
- (xv) The Company has not given any guarantee for loans taken by others from banks or financial institutions. Therefore, the provisions of clause 4 (xv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xvi) In our opinion and according to the information and explanation given to us, the Company has not raised any fund by way of term loans during the year under review.
- (xvii) According to the information and explanations given to us, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the company has not issued any debentures.
- (xx) The company has not raised any money by public issue hence the provisions under clause 4 (xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

**For R. Kothari & Company**

Chartered Accountants

FRN: 307069E



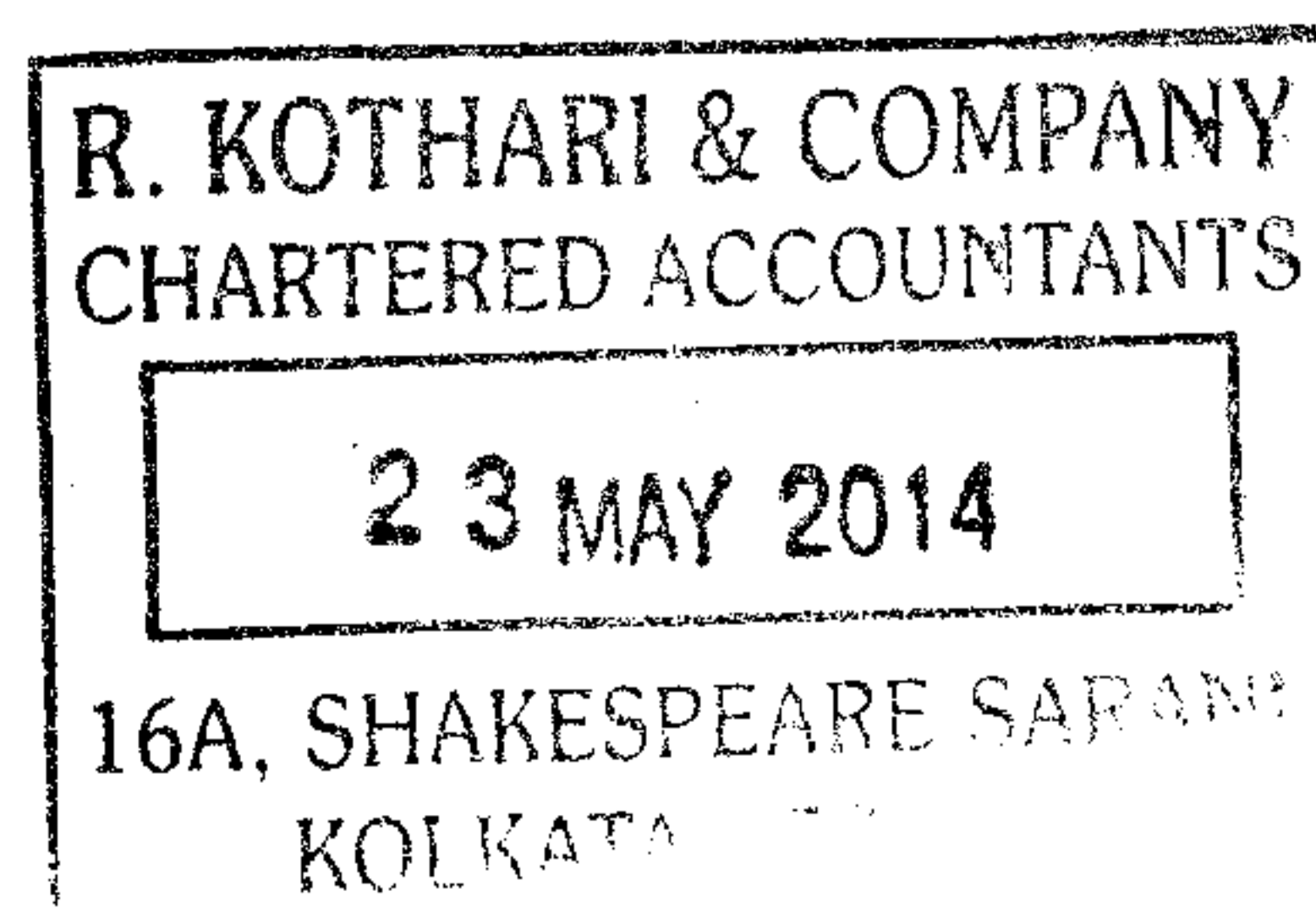
*(K. C. Soni)*

Partner

Membership No.: 057620

Place: Kolkata

Dated:



**VIVEKANANDA SKYROAD LIMITED**  
Balance Sheet as at March 31, 2014

Particulars	Note No.	As at 31.03.2014 Amount (in Rs.)	As at 31.03.2013 Amount (in Rs.)
<b>EQUITY &amp; LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	9,652,000	9,652,000
<b>Non-Current Liabilities</b>			
Long term borrowings	3	2,043,199	1,250,000
Other non-current liabilities	4	-	24,600
<b>Current Liabilities</b>			
Other Current liabilities	5	159,131	83,308
Short term Provisions		-	
<b>Total</b>		<b>11,854,330</b>	<b>11,009,908</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible assets	6	106,733	134,087
Other non current assets	7	11,686,586	10,827,629
<b>Current assets</b>			
Cash and cash equivalents	8	19,664	48,192
Short term loans and advances	9	41,347	
<b>Total</b>		<b>11,854,330</b>	<b>11,009,908</b>
<b>Summary Of Significant Accounting Policies</b>	1		

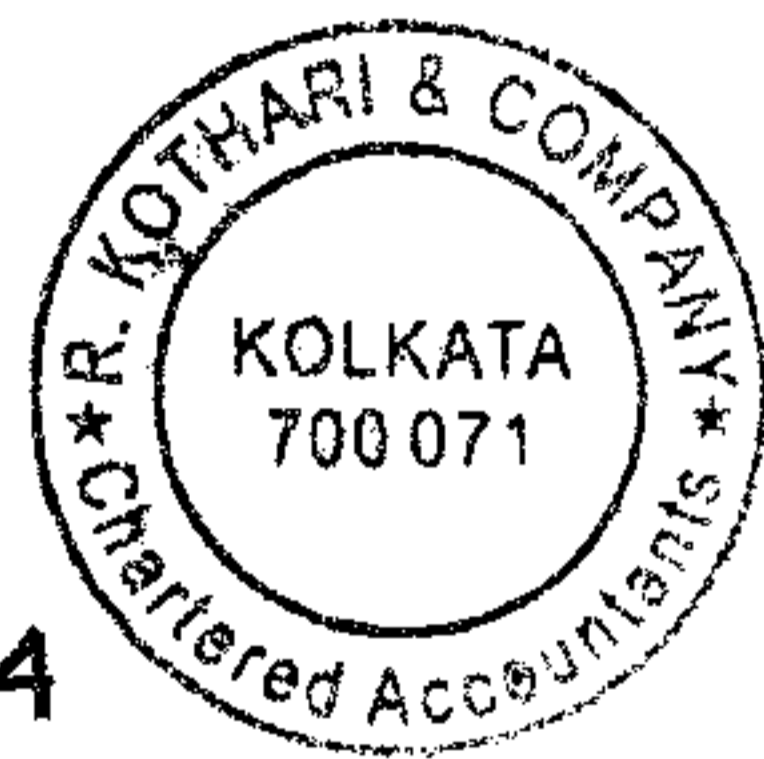
The accompanying notes are integral part of the financial statements

As per our report of even date

**R. Kothari & Company**  
Chartered Accountants  
Firm Registration No. 307069E


CA. K. C. Soni  
Partner

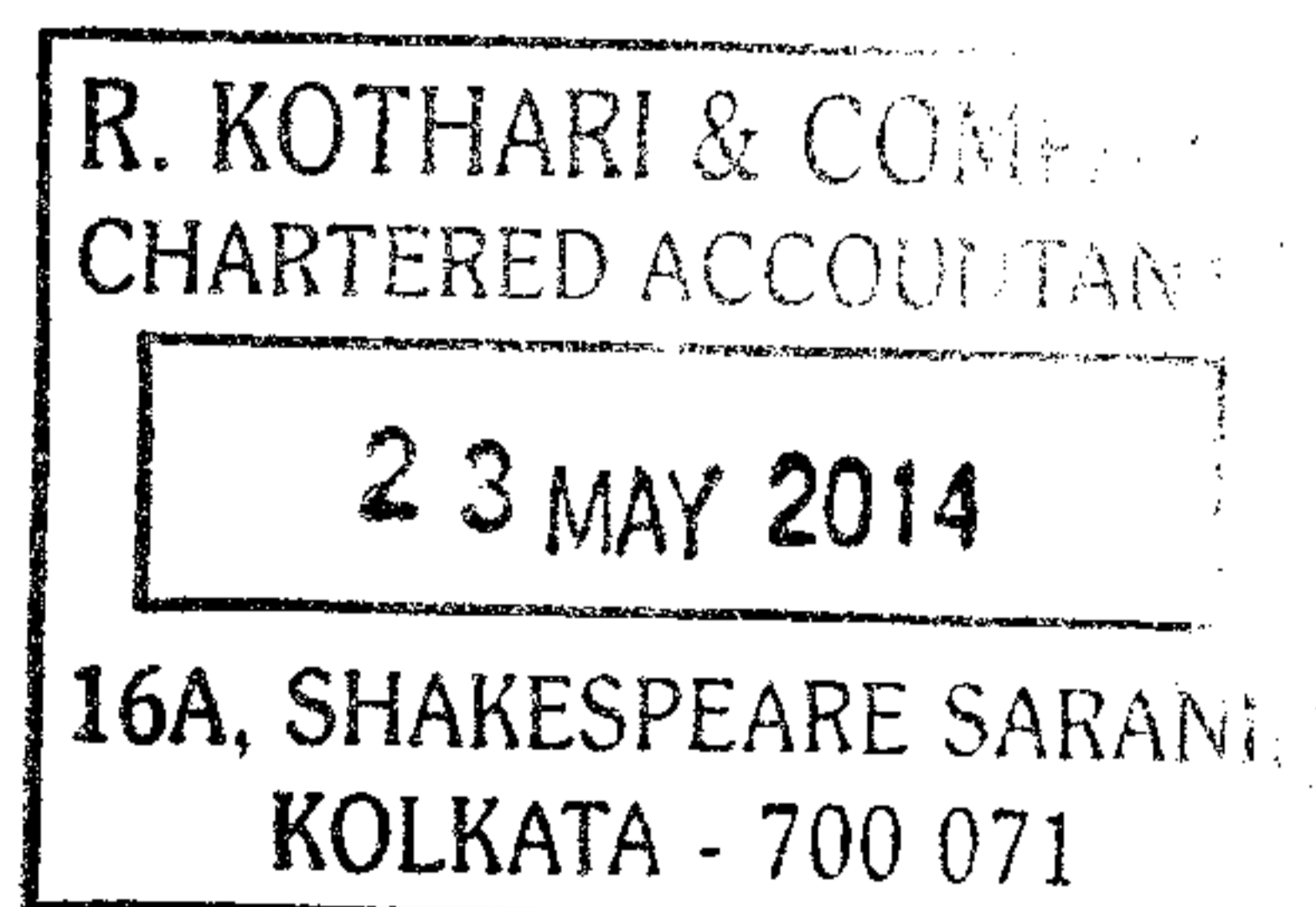
Place : Kolkata  
Date : 23.05.2014



For and on behalf of the Board

  
Director

  
Director



VIVEKANANDA SKYROAD LIMITED

Cash Flow Statement annexed to the Balance Sheet for the year ended March 31, 2014

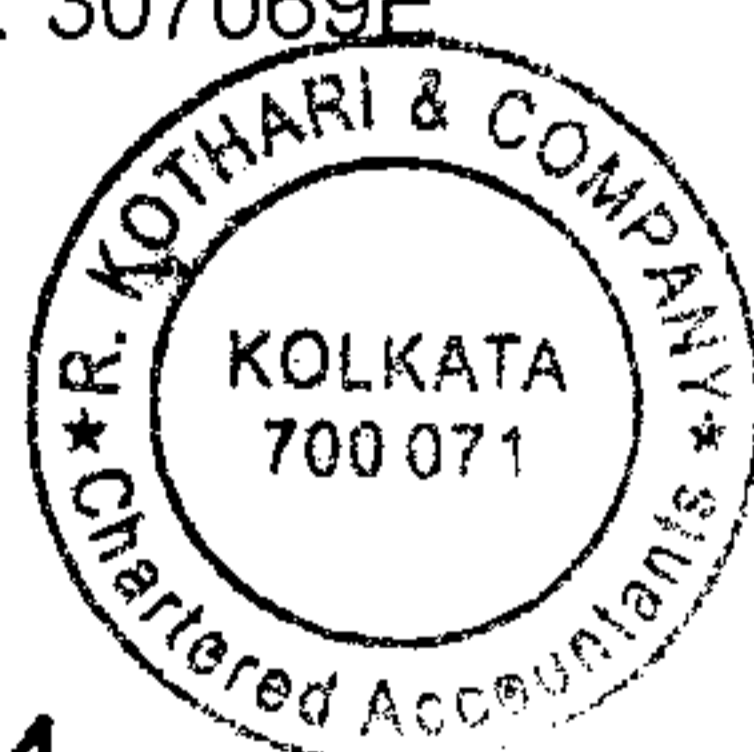
Particulars	Period Ended 31.03.14	Year Ended 31.03.13
	Amount (Rs.)	Amount (Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before tax and extraordinary items		
Adjusted for :		
Depreciation	27,354	27,354
Operating Profit before working capital changes	27,354	27,354
Adjusted for :		
Other current liabilities	75,823	16,328
<b>Cash generated from operations</b>	<b>103,177</b>	<b>43,682</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Increase) / Decrease in Pre-operative Activities	(858,957)	(565,713)
<b>Net Cash Used In Investing Activities</b>	<b>(858,957)</b>	<b>(565,713)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
'Proceed from issue of Shares	-	-
'Proceed from long term borrowings	793,199	450,000
<b>Net Cash Used In Financing Activities</b>	<b>793,199</b>	<b>450,000</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>37,419</b>	<b>(72,031)</b>
Opening Balance of Cash and Cash equivalents	48,192	120,223
Closing Balance of Cash and Cash equivalents	19,664	48,192
<b>Change in Cash and Cash Equivalents</b>	<b>(28,528)</b>	<b>(72,031)</b>

The accompanying notes are integral part of the financial statements

As per our report of even date

For R. Kothari & Company  
Chartered Accountants  
Firm Registration No. 307069F

CA. K.C.Soni  
Partner

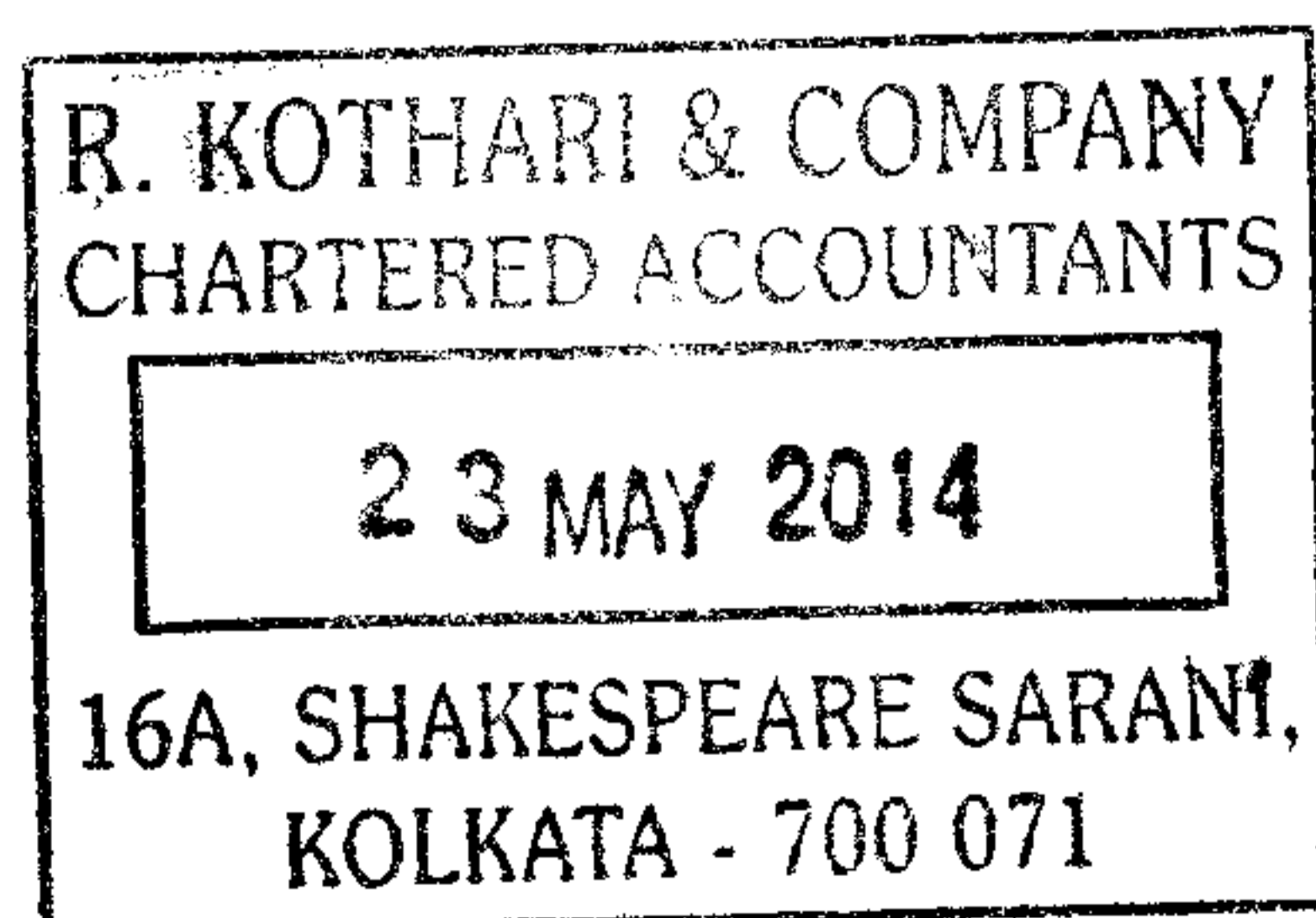


Date : 23.05.2014  
Place : Kolkata

For and on behalf of the Boards

  
Director

  
Director





VIVEKANANDA SKYROAD LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH,  
2014

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 Revenue Recognition**

1. Expenses and Income recognized on accrual basis except rates & taxes.
2. All expenses incurred up to the date of commercial operation are recognized as Pre-Operative Expenses.

**1.3 Fixed Assets**

Fixed Assets are stated at cost inclusive of taxes and other attributable costs up to the date the asset is ready for intended use.

Depreciation on fixed assets is provided on Straight Line Method at the rates and manner specified in Schedule XIV to the Companies Act, 1956.

**1.4 Miscellaneous Expenditure**

Miscellaneous Expenditure (to the extent not written off) is carried forward to be charged to revenue over ten years starting from the year of commencement of commercial operation.

**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.



VIVEKANANDA SKYROAD LIMITED  
Notes to financial statements for the year ended March 31, 2014

	As At March 31, 2014 (Rs.)	As At March 31, 2013 (Rs.)
<b>2) Share Capital</b>		
<b>Authorised :</b>		
10,00,000 (P.Y 10,00,000) Equity Shares of Rs. 10/- each	10,000,000	10,000,000
<b>Issued, Subscribed &amp; Paid-Up:</b>		
9,65,200 (P.Y 9,65,200) Equity Shares of Rs. 10/- each fully paid up in Cash	9,652,000	9,652,000
	<b>9,652,000</b>	<b>9,652,000</b>

1) The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to have one vote per share. Dividend if any proposed by the Board of Directors is subject to approval of the share holders in the ensuing AGM. In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company after distribution of all preferential amounts in proportion to the no. of equity shares held by them.

2) Shares held by its holding company M/s Shristi Housing Development Ltd (SHDL) 964,600 964,600

3) Shareholder holding more than 5% of the total shares- SHDL 964,600 964,600

4) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As At 31-03-2014		As At 31-03-2013	
	No. of shares	Rs.	No. of shares	Rs.
At the beginning of the year	965,200	9,652,000	965,200	9,652,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	<b>965,200</b>	<b>9,652,000</b>	<b>965,200</b>	<b>9,652,000</b>

**3) Long term borrowings**

<b>Unsecured Loans</b>		
-From Body Corporates*	2,043,199	1,250,000
	<b>2,043,199</b>	<b>1,250,000</b>

\* Company has taken interest free loan from its Holding Company i.e Shristi Housing Development Limited

**4) Other non-current liabilities**

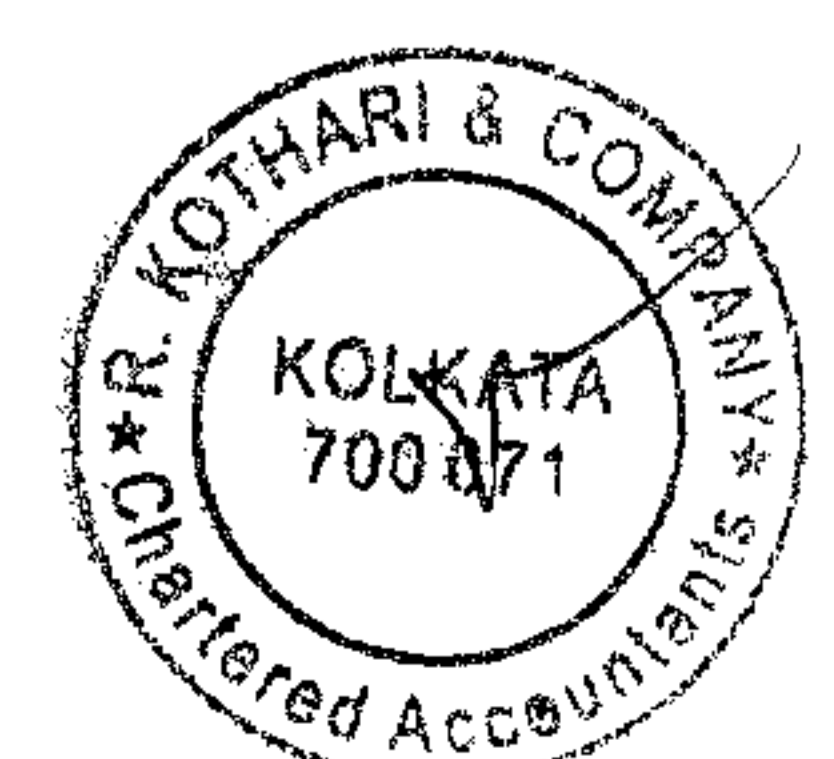
Expenses payable	-	24,600
	<b>-</b>	<b>24,600</b>

**5) Other Current liabilities**

Expenses payable	27,719	42,036
Duties & Taxes payable	131,412	41,272
	<b>159,131</b>	<b>83,308</b>

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VIVEKANANDA SKYROAD LIMITED  
Notes to financial statements for the year ended March 31, 2014

6 ) Fixed Assets- Tangible

Amount in Rs.

Particulars	Gross Block			Depreciation			Net Block		
	As at April 1, 2013	Additions during the Period	Deductions during the period	As at March 31, 2014	Up to March 31, 2013	For the Period	As at March 31, 2014	As at March 31, 2014	As at March 31, 2013
Furniture & Fixtures	432,134	-	-	432,134	298,047	27,354	325,401	106,733	134,087
<b>Total</b>	<b>432,134</b>	<b>-</b>	<b>-</b>	<b>432,134</b>	<b>298,047</b>	<b>27,354</b>	<b>325,401</b>	<b>106,733</b>	<b>134,087</b>
Previous year	432,134	-	-	432,134	270,693	27,354	298,047	134,087	



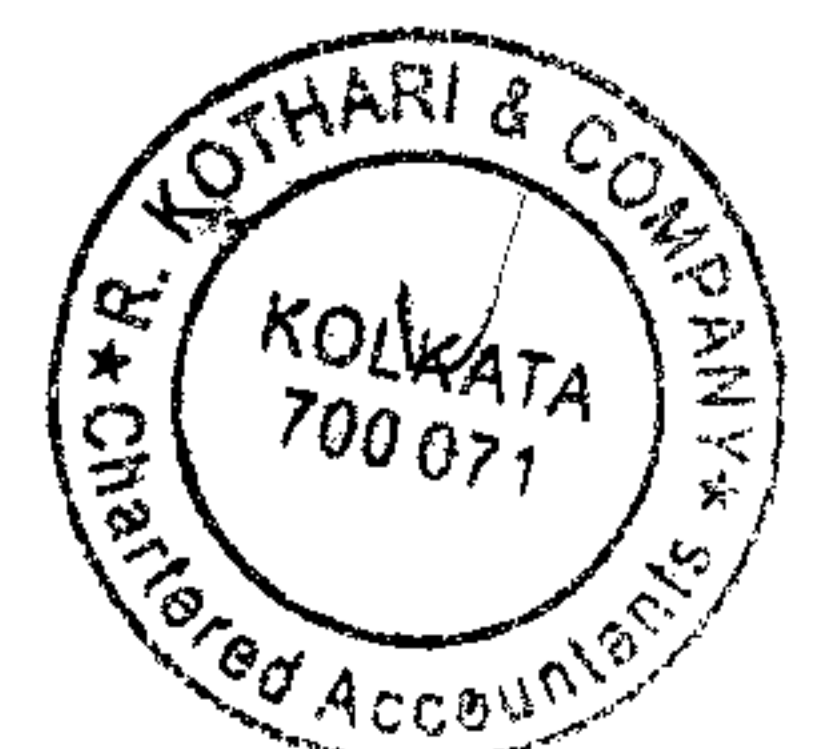


VIVEKANANDA SKYROAD LIMITED  
Notes to financial statements for the year ended March 31, 2014

	As At March 31, 2014 (Rs.)	As At March 31, 2013 (Rs.)
<b>7) Other Non Current Assets</b>		
<b>(i) Preoperative Expenses</b>		
<b>Balance Brought Forward</b>	<b>10,802,529</b>	<b>10,236,816</b>
<b>Add: Expenses during the year</b>		
Professional & Consultancy Fees	18,500	14,150
Legal Charges	755,100	469,550
Payment to auditors		
- As statutory audit fee	11,236	10,112
- For other services		94
Miscellaneous Expenses	1,595	248
Bank Charges	169	692
Filing Fees	710	1,748
General Expenses	16,199	
Service tax	54,094	40,845
Travelling Expenses		920
Depreciation	27,354	27,354
Less : Indirect Income		
- Sundry Balance Written back.	(25,600)	
- Miscellaneous Receipt	(400)	
<b>Sub-Total</b>	<b>11,661,486</b>	<b>10,802,529</b>
<b>(ii) Preliminary expenses (To the extent not written off or adjusted)</b>	<b>25,100</b>	<b>25,100</b>
<b>Total [i+ii]</b>	<b>11,686,586</b>	<b>10,827,629</b>
<b>8) Cash and cash equivalents</b>		
Balances with scheduled banks		
- in Current Accounts	19,000	47,718
Cash-in-hand (as certified by the management)	665	475
	<b>19,664</b>	<b>48,192</b>
<b>9) Short Term Loan &amp; Advance</b>		
Service Tax Input	41,347	
	<b>41,347</b>	<b>-</b>

*h*

*[Signature]*



VIVEKANANDA SKYROAD LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH,  
2014

- 10) Since the Company is yet to start its commercial activity hence all expenses has been treated as Pre-Operative Expenses shown under note 7. No profit & Loss Account have been prepared during the year under report.
- 11) Contingent liabilities not provided for – NIL.
- 12) The Company has not paid any Managerial remuneration of any kind to the Directors for the period.
- 13) Since the company has not yet started any commercial activities and no profit & loss account has been prepared, hence earning per share as per AS – 20, issued by the Institute of Chartered Accountants of India is not applicable on the company.
- 14) Since the company has not having any timing difference as prescribed in AS – 22 issued by the Institute of Chartered Accountants of India, hence provision of deferred tax is not required.

**15) Related Party Transactions:**

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

**i. Holding company of Reporting Enterprise:**

Shristi Housing Development Limited

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

**i. Key Management Personnel**

Rahul Varma - Director

Shankar Mukherjee - Director

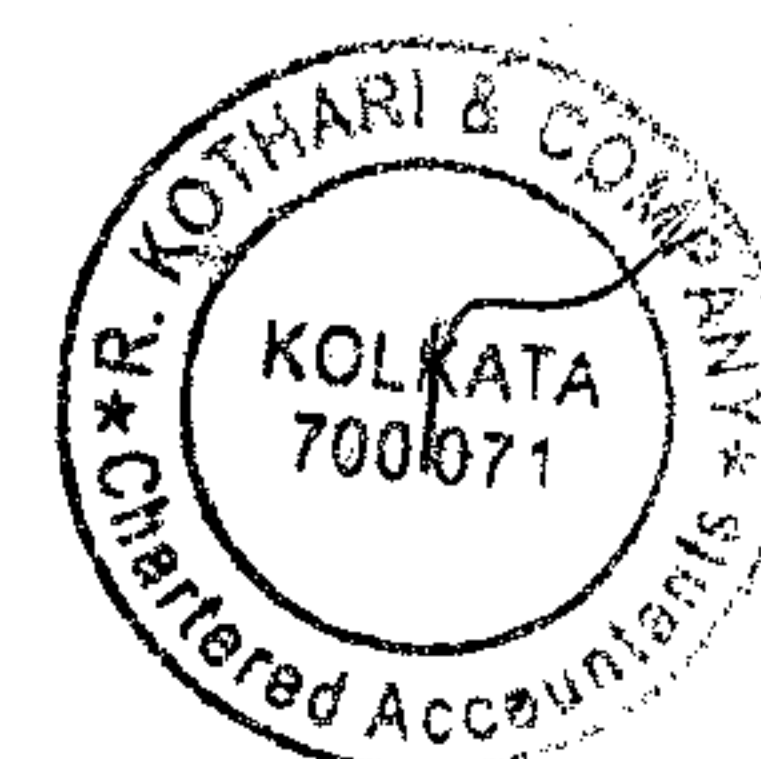
Surendra Kr. Khaitan - Director

**c. Transactions with related parties**

Shristi Housing Development Ltd.

Loan taken during the year- Rs. 7,93,199/- (P.Y- Rs. 4,50,000/-),

Outstanding Balance - Rs 20,43,199/- (P.Y- Rs. 12,50,000/-)



VIVEKANANDA SKYROAD LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH,  
2014

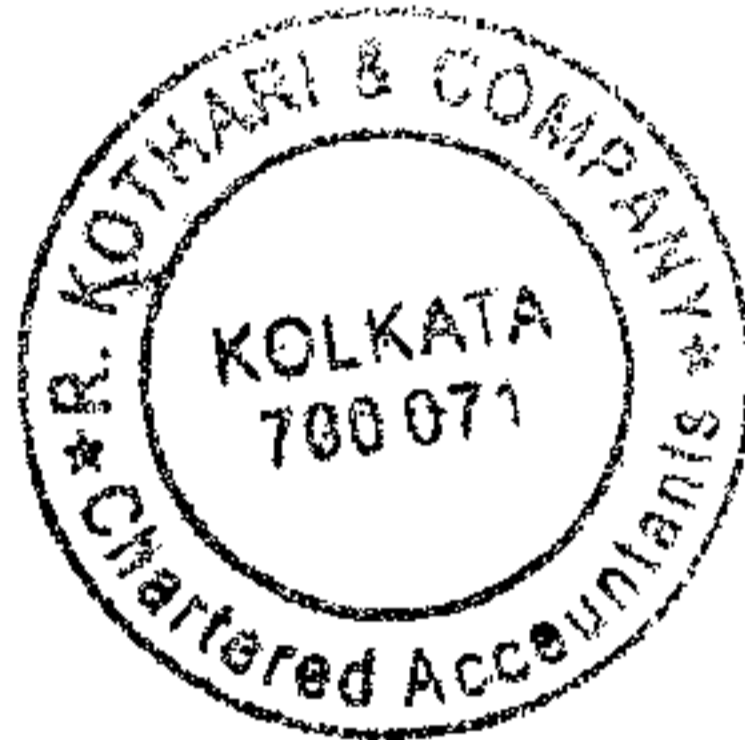
- 16) The Company has construction business as its sole operating segment and the same has been treated as the primary segment. As such no separate segment has been provided as per Accounting Standard (AS-17) issued by the ICAI.
- 17) Due to pending clearances from the government authorities, the work of flyover construction could not be undertaken by the company. The Management has gone into arbitration for amicable settlement of the matter.
- 18) Previous Year's figures have been regrouped or rearranged whenever necessary as per revised Schedule VI.

Signature to Notes 1 to 18

As per our attached Report of even date

For R. Kothari & Company  
Chartered Accountants  
Firm Registration No. 307069E

K. C. Soni  
Partner



Place: Kolkata  
Dated : 23.05.2014

For and on behalf of the Board

  
Director

  
Director

