

H. R. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS

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**Independent Auditor's Report to the Members of WORLD CITY DEVELOPMENT
PRIVATE LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **WORLD CITY DEVELOPMENT PRIVATE LIMITED** ("the Company") which comprise the Balance Sheet as at 31 March 2015, and the 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

The Company's Board Of Directors is responsible for the matters stated in 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of the 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 the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.

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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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating 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 on the Financial Statements.

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:

- i. in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2015;
- ii. 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, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a. we have sought & 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 account as required by law have been kept by the Company so far as it appears from our examination of those books;



- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under. Accordingly, the provisions of clause 3(vii) (c) of the order are not applicable.
- viii) The company does not have accumulated losses at the end of financial year 2014-15 and the company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- ix) In our opinion and according to the information and explanations given to us, there are no dues payable to financial institution or bank or debenture holders.
- x) In our opinion and according to the information and explanations given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.
- xi) According to the information and explanations given to us, no term loan has been raised by the company.
- xii) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For H R Agarwal and Associates

Chartered Accountants

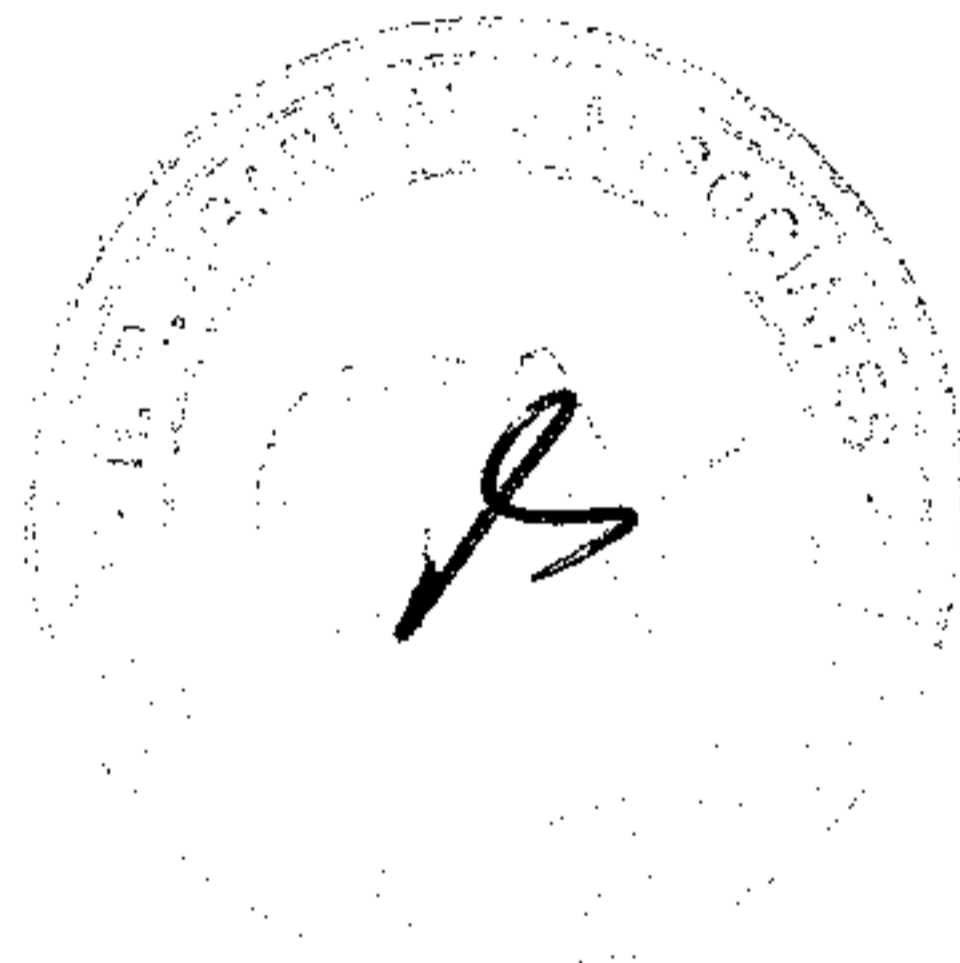
Firm's registration number: 323029E

Agarwal

(CA. Shyam Sundar Agarwal)

Partner

Membership number: FCA 060033



Place: Kolkata

Date: 25th May, 2015

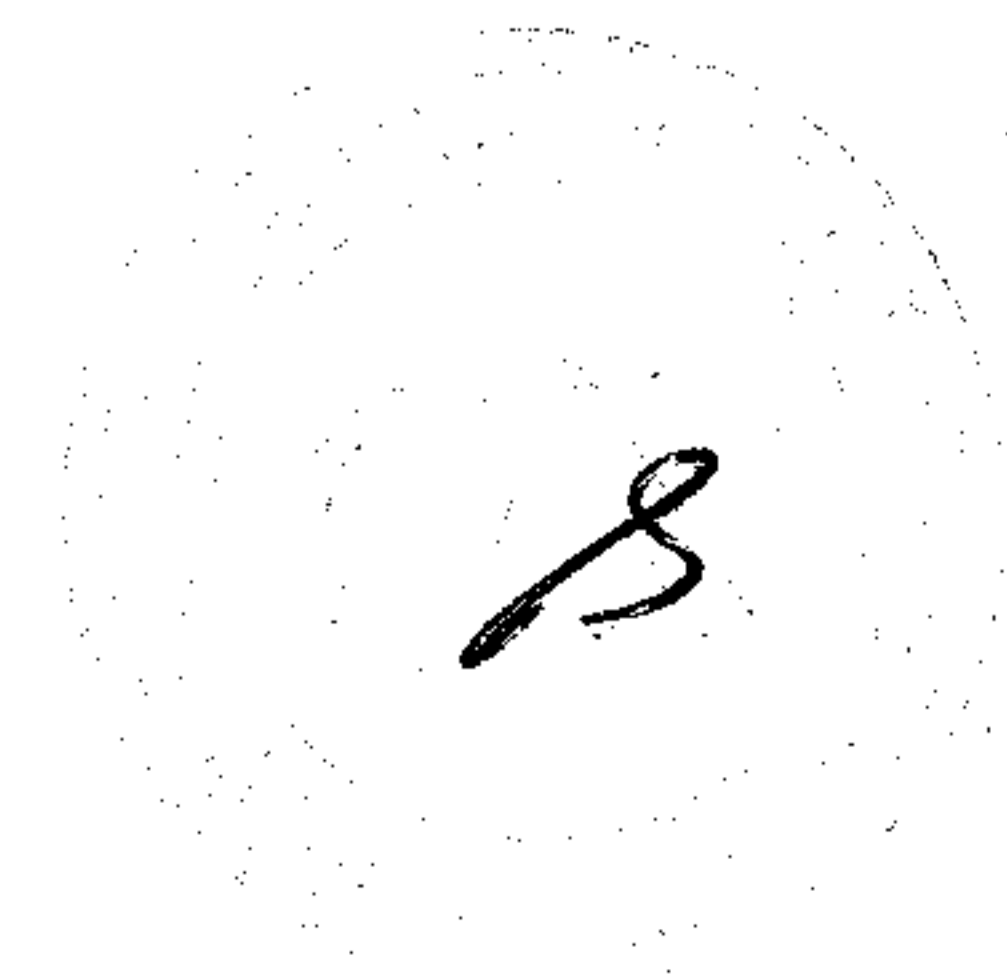
Annexure to Independent Auditors' Report

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31st March 2015. We report that:

- i) Based on our scrutiny of the company's books of account and other records and according to the information and explanations received by us from the management, we are of the opinion that the question of commenting on maintenance of proper records of fixed assets and physical verification of fixed assets does not arise since the company had no fixed assets as on 31st March, 2015 nor at any time during the financial year ended 31st March, 2015.
- ii) As the company has not purchased/ sold goods during the year nor is there any opening stocks, requirement of reporting on physical verification of stocks or maintenance of inventory records, in our opinion, does not arise.
- iii) The company has not granted any loan secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- iv) In our opinion and according to the information and explanations given to us, we report that the company's activities do not include purchase of inventory, fixed assets and sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public in pursuance to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi) Provisions relating to maintenance of cost records as prescribed by the Central Government u/s 148 (1) of the Companies Act, 2013, in our opinion are not applicable to the company.
- vii) a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, service tax, employees' state insurance, income tax, sales tax, wealth-tax, custom duty, excise duty, value added tax, cess and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, service tax, wealth-tax, sales tax, custom duty, excise duty or value added tax and cess were in arrears, as at 31st March, 2015 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no dues of sales tax, income tax, service tax, customs duty, wealth tax, excise duty or value added tax and cess, which have not been deposited on account of any dispute.



- c. the Balance Sheet and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014;
- e. on the basis of written representations received from the directors as on 31 March 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015, from being appointed as a director in terms of Section 164 (2) of the Act.

For H R Agarwal and Associates

Chartered Accountants

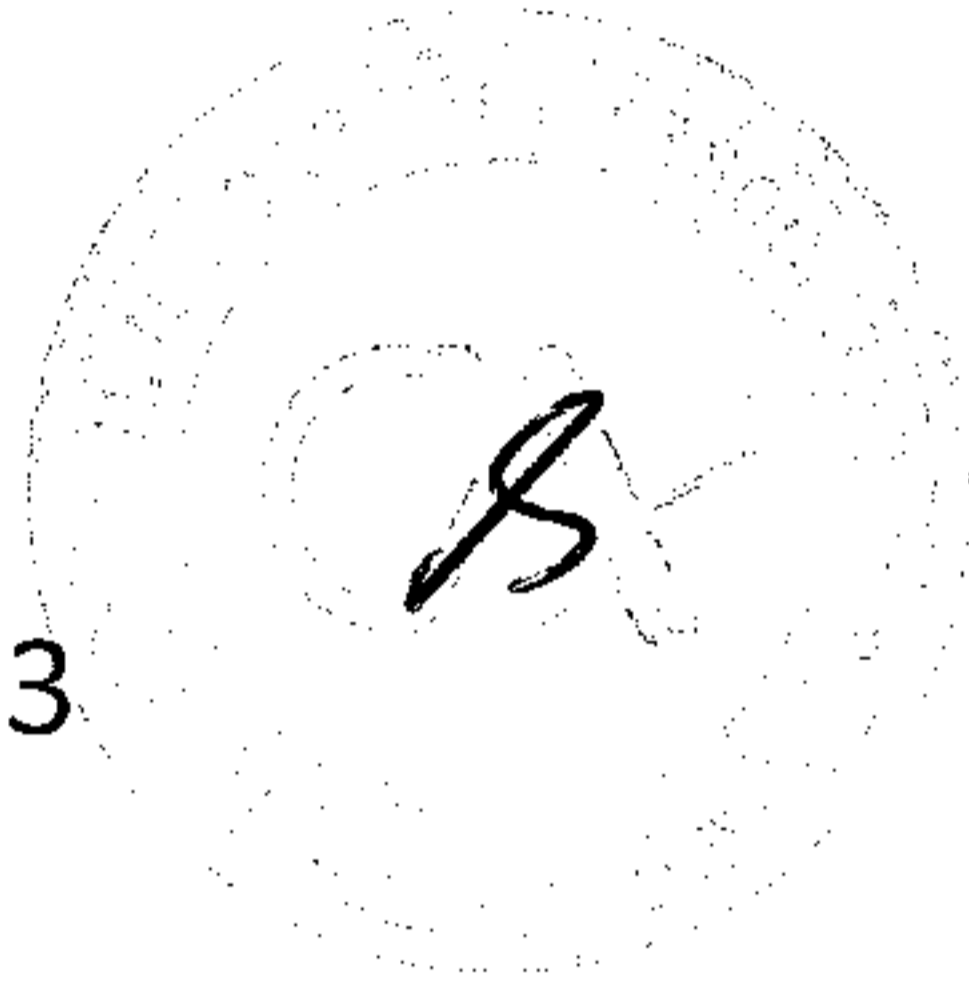
Firm's registration number: 323029E

Agarwal.

(CA. Shyam Sundar Agarwal)

Partner

Membership number: FCA 060033



Place: Kolkata

Date: 25th May, 2015

WORLD CITY DEVELOPMENT PRIVATE LIMITED

CIN NO - U70101OR2007PTC009705

Balance Sheet as at March 31, 2015

	Note No.	As at 31.03.2015 Amount (in Rs.)	As at 31.03.2014 Amount (in Rs.)
EQUITY & LIABILITIES			
Shareholders' Funds			
Share Capital	2	2,197,000	2,197,000
Short Term Borrowings	3	39,376	17,433
Current Liabilities			
Other Current liabilities	4	14,637	23,126
Total		2,251,013	2,237,559
ASSETS			
Non-current assets			
Capital work-in-progress	5	973,993	958,944
Long term loans and advances	6	1,250,000	1,250,000
Other non-current assets	7	247	-
Current assets			
Cash and cash equivalents	8	26,773	28,615
Total		2,251,013	2,237,559
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For H. R. Agarwal & Associates

Chartered Accountants

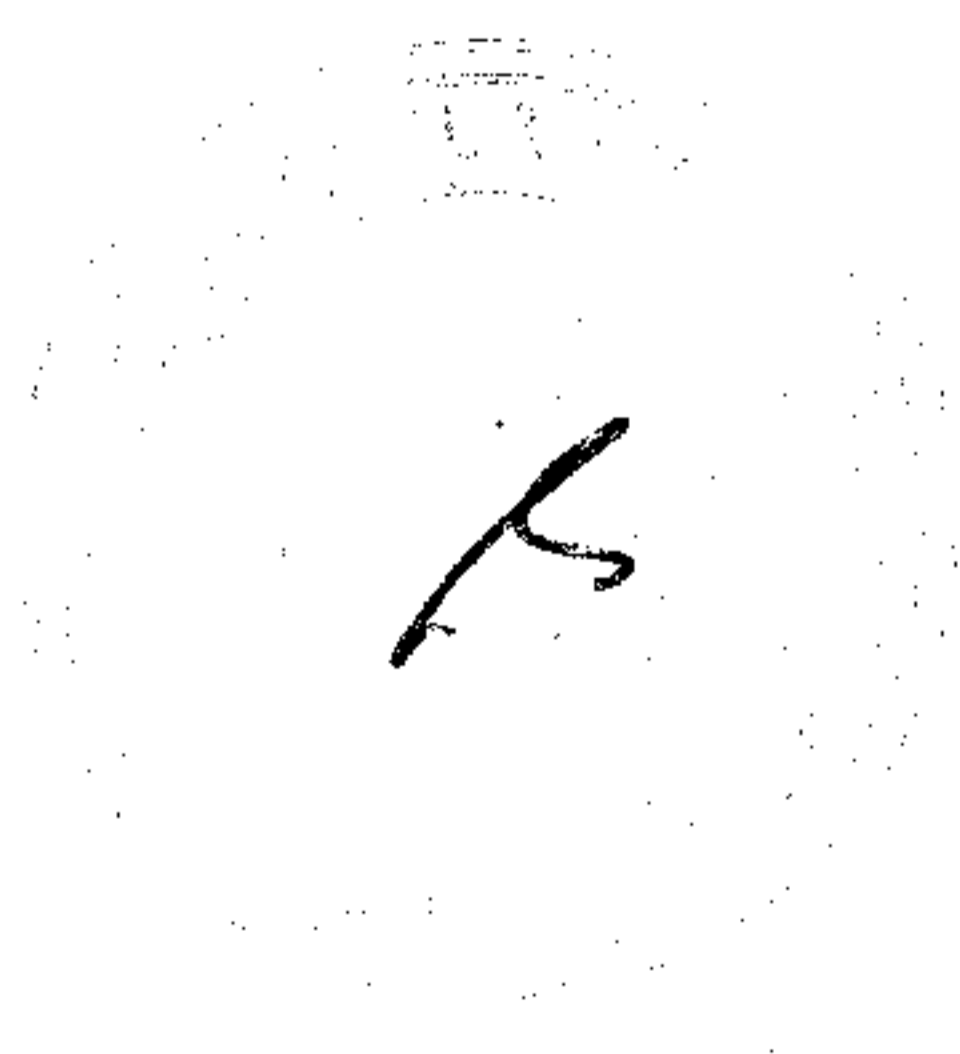
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(CA Shyam Sundar Agarwal)

Partner

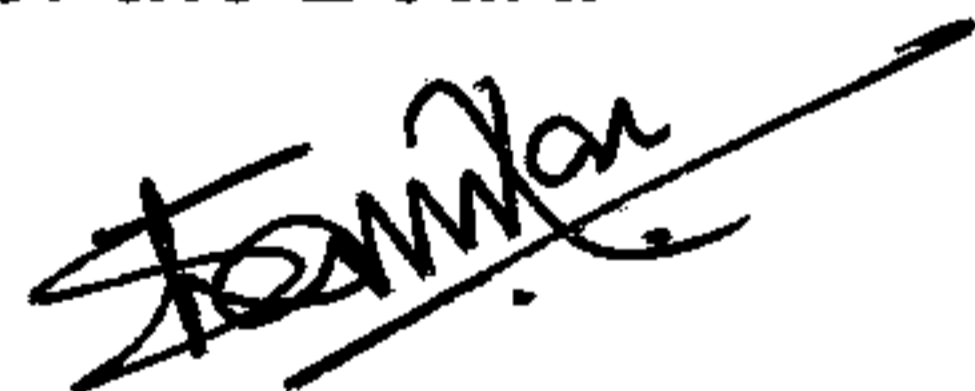
Membership No.FCA 060033



For and on Behalf of the Board



Gautam Malik
Director
DIN: 02545671



Shankar Mukherjee
Director
DIN: 01918561

Date : **25.05.2015**

Place : Kolkata

WORLD CITY DEVELOPMENT PRIVATE LIMITED
CIN NO - U70101OR2007PTC009705
Cash Flow Statement Annexed for the year ended 31.03.2015

Particulars	Year Ended 31.03.2015 Amount (Rs.)	Year Ended 31.03.2014 Amount (Rs.)
A. CASH FLOW OPERATING ACTIVITES	Nil	Nil
Operating Profit Before Working Capital Changes		
Adjustments for:		
Increase / (Decrease) in Short Term Borrowings	21,943	17,433
Increase / (Decrease) in Other Current Liabilities	(8,489)	4,168
Net Cash From Operating Activities	13,454	21,601
B. CASH FLOW FROM INVESTING ACTIVITIES		
(Increase) / Decrease in Capital work in progress	(15,049)	(21,404)
Decrease in loans & advances	-	-
(Increase) / Decrease in Misc.Expenditure-Preliminary Expenses	(247)	(1,359)
Purchase of Fixed Assets	-	-
	(15,296)	(22,763)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt of Borrowings	-	-
Share Capital	-	-
D. Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(1,842)	(1,162)
Opening Cash and cash equivalents	28,615	29,777
Closing Cash and cash equivalents	26,773	28,615
Closing Cash and cash equivalents as per Balance Sheet	26,773	28,615

Note:

1 Figures in brackets denote cash outflow

The accompanying notes are an integral part of the financial statements

As per our report of even date

For H. R. Agarwal & Associates

Chartered Accountants
Firm Reg No :- 323029E

Sagarwal

(CA Shyam Sundar Agarwal)

Partner

Membership No.FCA 060033

For and on Behalf of the Board

Gautam Malik
Gautam Malik
Director
DIN: 02545671

Shankar Mukherjee
Shankar Mukherjee
Director
DIN: 01918561

Date : **25.05.2015**

Place : Kolkata

1) **SIGNIFICANT ACCOUNTING POLICIES:**

Basis of Preparation of Financial Statements

The Company prepares its financial statements in accordance with generally accepted accounting practices and also in accordance with requirements of Companies Act, 2013.

Revenue Recognition

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

Contingent Liability

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

2) **Share Capital**

Authorised :

1,000,000 Equity Shares of Rs.10/- each	10,000,000	10,000,000
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Issued, Subscribed & Paid-Up:

2,19,700 Equity Shares of Rs.10/- each fully paid up share	2,197,000	2,197,000
	<u>2,197,000</u>	<u>2,197,000</u>

1) The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to have one vote per share. Dividend if any proposed by the Board of Directors is subject to approval of the share holders in the ensuing AGM.

2) Shares held by its holding company M/S Shristi housing development Ltd (SHDL), Shristi Infrastructure Development Corp Limited being the ultimate holding company.	219,700	219,400
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3) Shareholder holding more than 5% of the total shares- SHDL	219,700	219,400
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3) **Short term borrowings**

Unsecured Loan

Shristi Housing Development Ltd.	39,376	17,433
	<u>39,376</u>	<u>17,433</u>

4) **Current Liabilities and Provisions**

Sundry Creditors	11,612	20,101
Liability for Expenses	3,025	3,025
	<u>14,637</u>	<u>23,126</u>

5) **Capital work-in-progress**

Opening Balance	958,944	936,181
Add: Addition during the year	15,049	22,763
	<u>973,993</u>	<u>958,944</u>

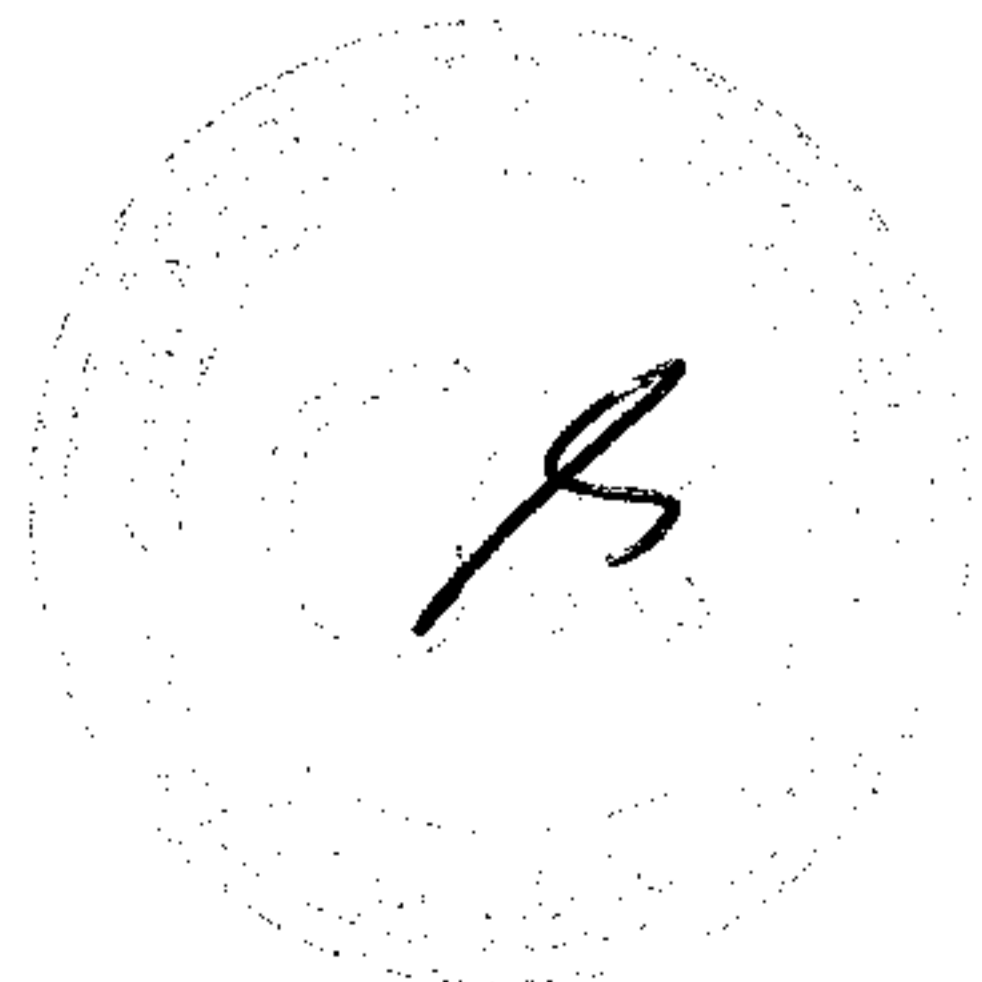
6) **Long term loans and advances**

Unsecured and Considered good

Capital Advance	1,250,000	1,250,000
	<u>1,250,000</u>	<u>1,250,000</u>

7) **Other non-current assets**

Service tax input	247	-
	<u>247</u>	<u>-</u>



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WORLD CITY DEVELOPMENT PRIVATE LIMITED
CIN NO - U70101OR2007PTC009705

Notes to financial statements for the year ended 31st March, 2015

	As At March 31, 2015 (Rs.)	As At March 31, 2014 (Rs.)
8) <u>Cash and cash equivalents</u>		
Balances with Scheduled banks - in Current Accounts	26,239	26,239
Cash-in-hand	534	2,376
	26,773	28,615

9) The company is yet to commence the commercial operations, hence no Profit & Loss Account has been prepared.

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

11) Contingent liabilities : NIL

12) 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:

Shristi Housing Development Limited.

Holding company of Reporting Enterprise

Key Management Person :

- a. Mr. Shankar Mukherjee, Director
- b. Mr. Gautam Malik, Director

b. Transactions with Related parties

Holding Company :

Short Term Borrowing	21,943	17,433
Closing Balance as on 31.03.15	39,376	17,433

13) 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.

14) 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.

15) Previous year figures have been rearranged or regrouped wherever considered necessary.

As per our report of even date

For H. R. Agarwal & Associates

Chartered Accountants

Firm Reg No :- 323029E


(CA Shyam Sundar Agarwal)

Partner

Membership No.FCA 060033

Date : **25.05.2015**

Place : Kolkata



For and on Behalf of the Board


Gautam Malik
Director
DIN: 02545671


Shankar Mukherjee
Director
DIN: 01918561