

**10<sup>th</sup> ANNUAL REPORT  
2013 - 2014**

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**DIRECTORS**

Mr. R Jalan

Mr. P Bajoria

Mr. C S Ray

**AUDITORS**

R Kothari & Company

Chartered Accountants

16A Shakespeare Sarani

Kolkata 700071

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# INFINITY TOWNSHIPS PRIVATE LIMITED

## DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the 10<sup>th</sup> Annual Report together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2014.

### FINANCIAL RESULTS

The salient features of the Financial Results of the Company for the year under review is as follows:

	<b>Year Ended 31.03.2014 (Amount in Rs.)</b>	<b>Year Ended 31.03.2013 (Amount in Rs.)</b>
<b>Total Revenue</b>	<b>215,721,070</b>	<b>66,224,835</b>
Profit Before Tax	656,845	26,111
<b><u>Tax Expenses</u></b>		
Current Tax	125,161	8,472
Mat Credit Entitlement	(130,136)	-
Deferred Tax	55,202	-
<b>Profit After Tax</b>	<b>606,618</b>	<b>17,639</b>
Balance Brought Forward from Previous Year	17,639	-
<b>Balance to be Carried Forward</b>	<b>624,257</b>	<b>17,639</b>

### DIVIDEND

Your Directors feel that it is prudent to plough back the profits for future growth of the Company and do not recommend any dividend for the year 31<sup>st</sup> March 2014.

### THE COMPANIES ACT, 2013

The Ministry of Corporate Affairs (MCA) has notified 282 sections of the Companies Act, 2013 in tranches in September, 2013 and March 2014 with majority of the Sections as well as the rules being notified in March 2014 and made effective from 1st April, 2014. The Companies Act, 1956 continues to be in force to the extent of the corresponding provisions of the new Act which are yet to be notified. MCA vide its circular dated April 4, 2014 has clarified that the Financial statements and documents annexed thereto, auditor's report and board's report in respect of the Financial year that has commenced earlier than April 1, 2014 shall be governed by the provisions of the Companies Act, 1956 and accordingly, the Financial statements and documents annexed thereto, auditor's report and board's report and the attachments thereto have been prepared in accordance with the provisions of the Companies Act, 1956. With respect to the other provisions of the Act, appropriate references have been

## **INFINITY TOWNSHIPS PRIVATE LIMITED**

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made in this report to the extent these provisions have become applicable effective April 1, 2014.

### **DIRECTORS**

During, the year under review, Mr. Piyush Kedia and Mr. Pulak Chamaria resigned as Directors of the Company with effect from 09<sup>th</sup> December, 2013 and 25<sup>th</sup> March, 2014 respectively. The Board place on record its high appreciation and gratitude for the valuable services rendered by them during their tenure as Directors of the Company.

Mr. Rishi Jalan and Mr. Chandra Shekhar Ray were appointed as Additional Directors of the Company with effect from 09<sup>th</sup> December, 2013 and 24<sup>th</sup> March, 2014 respectively in terms of Section 161 of the Companies Act, 2013 and they holds office only upto the date of ensuing Annual General Meeting. The Company has received requisite notices in writing from a member proposing their name for the office of Directors.

Mr. Piyush Bajoria, retires by rotation at the ensuing Annual General Meeting and, being eligible offer himself for re-appointment pursuant to Section 152 of the Companies Act, 2013 and Articles of Association of the Company.

The Board of Directors of your Company recommends the appointment/re-appointment of the above Directors at the ensuing Annual General Meeting.

### **SUBSIDIARY COMPANIES**

During the year under review, M/s. Trisakti Infradev Private Limited is ceased to be the Wholly Owned Subsidiary Company w.e.f. 25<sup>th</sup> February, 2014. Presently, M/s. Infinity Housing Projects Private Limited is the only Wholly Owned Subsidiary Company of your Company.

As required under Section 212 of the Companies Act, 1956, the audited statements of accounts, along with the report of the Board of Directors relating to the Company's subsidiaries and the Auditor's Report thereon for the year ended 31<sup>st</sup> March, 2014 are annexed.

### **DEPOSITS**

Your Company has not accepted any deposits under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

# **INFINITY TOWNSHIPS PRIVATE LIMITED**

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## **CORPORATE SOCIAL RESPONSIBILITY STATEMENT**

For Company, CSR is more than just an ethical commitment, deeper than corporate spin and it is embedded in the business. The Company believes that its contribution towards social welfare initiative must result in long- term sustainable economic and social growth of the society at large for this reason the Company is an active supporter of The Akshaya Patra Foundation, World's largest NGO-run mid-day school meal program & other NGOs.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance with Section 217(2AA) of the Companies Act, 1956 the Directors, to the best of their knowledge and belief confirm:

1. That for the preparation of the Accounts for the year ended 31<sup>st</sup> March, 2014 the applicable accounting standards have been followed along with proper explanations relating to material departures.
2. That the Directors have selected such accounting policies as mentioned in Note No. 1 of the Annual Accounts and applied them consistently and made such judgments and estimates that were reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company for the financial year ended 31<sup>st</sup> March, 2014.
3. That the Directors have taken proper and sufficient care 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.
4. That the Directors have prepared the accounts for the year ended 31<sup>st</sup> March, 2014 on a "going concern basis."

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

The Company has started its commercial activities, however in view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 217(1)(e) of the Act, read with Rule 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 concerning Conservation of Energy and Technology Absorption respectively, are not applicable to the Company.

During the year under review, there was no foreign exchange earnings and outgo.

## **PARTICULARS OF EMPLOYEES**

During the year under review, none of the employees were employed at a remuneration exceeding the amount as specified u/s 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended.

# **INFINITY TOWNSHIPS PRIVATE LIMITED**

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## **AUDITORS' REPORT**

The Notes on Accounts referred to by the Auditors in their Report are self-explanatory and require no further explanation.

## **AUDITORS**

M/s. R Kothari & Company, Chartered Accountants, (Firm Registration No. 307069E) the Statutory Auditors of the Company, retire as Auditors of your Company at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office of Auditors, if re-appointed.

As required under the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the Company has obtained written consent from the Auditors to such re-appointment and also a certificate to the effect that their re-appointment, if made, would be in conformity within the limits specified in Section 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment. The Auditors shall be appointed for a term of five years and shall hold office from the conclusion of the ensuing Annual General Meeting till conclusion of the 15<sup>th</sup> Annual General Meeting of the Company (subject to ratification of their re-appointment at every Annual General Meeting). Your Directors recommended their re-appointment as the Statutory Auditors at the ensuing Annual General Meeting.

## **ACKNOWLEDGEMENT**

Your Directors place on record their appreciation for the valuable contributions and co-operations received by the Company from its Bankers, employees, other associates of the Company and Statutory Authorities.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**R JALAN**  
Director

Sd/-  
**P BAJORIA**  
Director

**Place: Kolkata**

**Dated: The 02<sup>nd</sup> day of September, 2014**

# INFINITY TOWNSHIPS PRIVATE LIMITED

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956,  
RELATING TO COMPANY'S INTEREST IN SUBSIDIARY COMPANIES FOR THE FINANCIAL YEAR 2013-14

1.	Name of the Subsidiary Company	Infinity Housing Projects Private Limited
2.	The Financial year of the Subsidiary Companies ended on	31.03.2014
3.	Date from which they became Subsidiary Companies	30.03.2012
4.	Extent of interest of Holding Company at the end of the financial year of the Subsidiary Companies: a) Number of Shares held b) Percentage of Holding	1,000,000 Equity shares of Rs.10/- each 100%
5.	The net aggregate amount of Subsidiary Companies Profit/(Loss) so far as it concerns the members of the Holding Company a) Not dealt with in the Holding Company's accounts: i) For the current financial year ii) For the previous financial years of the Subsidiary Companies since they become the Holding Company's subsidiaries b) Dealt with in the Holding Company's accounts: i) For the current financial year ii) For the previous financial years of the Subsidiary Companies since they become the Holding Company's subsidiaries	Rs. Nil Rs. Nil Rs. Nil Rs. Nil

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Sd/-  
R JALAN  
Director

Sd/-  
P BAJORIA  
Director

Place: Kolkata

Dated: the 02<sup>nd</sup> day of September, 2014

## **INDEPENDENT AUDITORS' REPORT**

**To**  
**The Members of**  
**INFINITY TOWNSHIPS PRIVATE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of INFINITY TOWNSHIPS PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, 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 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 13th 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.

### **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 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 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.

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, 2014;
- (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.

### **Report on Other Legal & 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 Sub-Section (3) of Section 227 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 account as required by law have been kept by the Company so far as 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 and Statement of Profit and Loss 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 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
- e. On the basis of written representations received from the directors as on March 31, 2014, 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**  
**(Firm Registration No.307069E)**

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**  
**(Membership No.057620)**

**Place : Kolkata**

**Dated : the 02<sup>nd</sup> day of September, 2014**

## **ANNEXURE TO INDEPENDENT AUDITORS REPORT**

### **Referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirement” of our report of even date**

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:-

- i.(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management during the year and in our opinion, the frequency of such verification is reasonable. No material discrepancies were noticed on such verification;
- (c) There was no disposal of fixed assets during the year;
- ii.(a) The management has conducted physical verification of inventory at reasonable intervals during the year;
- (b) The procedures of 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) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification;
- iii.(a) According to the information and explanation given to us, the Company during the year 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;
- (b) According to the information and explanation given to us, the Company has not taken any loan, secured or unsecured from Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956;
- iv. In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the company and the nature of its business. During the course of our audit, no major persistent weakness has been noticed in the internal control;

- v.(a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered;
- b) In our opinion and according to the information, explanations and representation given to us, no transactions have been made during the year in pursuance of contracts or arrangements entered in the registers maintained under Section 301 and exceeding the value of five lakh rupees in respect of any party;
- vi.The Company has, during the year, not accepted any deposit from the public;
- vii.The paid up capital and reserves of the Company does not exceeding Rs.50 lakhs at the commencement of the financial year and as such this clause is not applicable to the Company;
- viii.According to the information and explanations given by the Management and to the best of our knowledge, maintenance of Cost Records as prescribed by Central Government under section 209(1)(d) of the Companies Act, 1956 are not applicable to the Company;
- ix.(a) According to the records of the Company, it has generally been regular in depositing undisputed statutory dues including provident fund, service tax, income tax and other statutory dues as applicable to it and no undisputed statutory dues were outstanding as at 31<sup>st</sup> March, 2013 for a period of more than six months from the date they became payable;
- (b) There is no disputed dues on account of provident fund, service tax, income tax and other statutory dues not paid by the Company;
- x.The Company does not have accumulated losses at the end of the financial year. The Company does not incurred cash losses during the financial year;
- xi.On the basis of the records examined by us and the information and explanations given by the Management, the Company has not defaulted in repayment of dues of financial institutions or banks;
- xii.As explained to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities;
- xiii.In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provision of this clause is not applicable to the Company;
- xiv.In our opinion, the Company has maintained proper records of transactions and contracts relating to dealing or trading in shares, securities, debentures and other investments during

the year and timely entries have been made therein. Further, such securities have been held by the Company in its own name except exemption provided u/s. 49 of the Companies Act, 1956;

xv. According to the information and explanations given to us and the representation made by the management, the Company has not given any guarantee for loans taken by others from bank or financial institutions;

xvi. On the basis of the records examined by us, we have to state that, the Company has, prima facie, applied the term loans for the purposes for which they were obtained;

xvii. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we are of the opinion that, prima facie no funds raised on short term basis have been used for long-term purposes;

xviii. We report that the Company, during the year, 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. According to the information and explanations given to us, the Company has not issued any debentures;

xx. The Company has not raised any money by public issue during the year under report;

xxi. According to the information and explanations given by the Management, and to the best of our knowledge and belief, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

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

**Sd/**  
**KAILASH CHANDRA SONI**  
**Partner**  
**(Membership No.057620)**

**Place : Kolkata**

**Dated : the 02<sup>nd</sup> day of September, 2014**

# INFINITY TOWNSHIPS PRIVATE LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at 31.03.2014 Rs.		As at 31.03.2013 Rs.	
<b><u>EQUITY AND LIABILITIES</u></b>					
<b>I. SHAREHOLDERS' FUNDS</b>					
Share Capital	2.01	851,000		851,000	
Reserves & Surplus	2.02	1,374,257		767,639	
			2,225,257		1,618,639
<b>II. NON CURRENT LIABILITIES</b>					
Long Term Borrowings	2.03	864,905		1,122,427	
Deferred Tax Liabilities (Net)		55,202		-	
Long Term Provisions	2.04	1,765,631		1,222,834	
			2,685,738		2,345,261
<b>III. CURRENT LIABILITIES</b>					
Short Term Borrowings	2.05	105,000,000		341,500,000	
Trade Payables		28,197,027		47,337,293	
Other Current Liabilities	2.06	874,225,819		648,988,033	
Short Term Provisions	2.07	314,490		238,548	
			1,007,737,336		1,038,063,874
			<b>1,012,648,331</b>		<b>1,042,027,774</b>
<b><u>ASSETS</u></b>					
<b>I. NON CURRENT ASSETS</b>					
Fixed Assets	2.08				
Tangible Assets		9,101,079		9,003,713	
Non Current Investments	2.09	301,794,313		366,400,688	
Long Term Loans & Advances	2.10	2,146,174		2,248,754	
Other Non Current Assets	2.11	16,000		24,000	
			313,057,566		377,677,155
<b>II. CURRENT ASSETS</b>					
Inventories	2.12	523,482,663		600,432,664	
Cash & Cash Equivalents	2.13	509,484		768,176	
Short Term Loans & Advances	2.14	36,920,922		35,732,679	
Other Current Assets	2.15	138,677,696		27,417,100	
			699,590,765		664,350,619
			<b>1,012,648,331</b>		<b>1,042,027,774</b>

The Accompanying Notes are an Integral Part of the Financial Statements

1 & 2

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**R JALAN**  
Director

Sd/-  
**P BAJORIA**  
Director

Place : Kolkata  
Dated : the 02nd day of September, 2014

# INFINITY TOWNSHIPS PRIVATE LIMITED

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Note No.	Year Ended 31.03.2014 Rs.	Year Ended 31.03.2013 Rs.
I. Revenue from Operations	2.16	215,318,169	66,224,835
II. Other Income	2.17	402,901	-
<b>III. Total Revenue</b>		<b>215,721,070</b>	<b>66,224,835</b>
<b>IV. EXPENSES</b>			
Cost of Materials Consumed / Construction [ Refer Note No. 2.12 ]		208,037,172	58,817,200
Employee Benefits Expense	2.18	2,212,343	2,334,813
Finance Costs	2.19	151,049	218,919
Depreciation and Amortization Expense		979,896	895,835
Other Expenses	2.20	3,683,765	3,931,957
<b>Total Expenses</b>		<b>215,064,225</b>	<b>66,198,724</b>
<b>V. Profit before Tax</b>		<b>656,845</b>	<b>26,111</b>
<b>VI. Tax Expense:</b>			
Current Tax		125,161	8,472
Mat Credit Entitlementment		(130,136)	-
Deferred Tax		55,202	-
<b>VII. Profit for the Period</b>		<b>606,618</b>	<b>17,639</b>
<b>VIII. Earning per Equity Share:</b>			
Basic		7.13	0.21
Diluted		7.13	0.21

The Accompanying Notes are an Integral Part of the Financial Statements

1 & 2

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**R JALAN**  
Director

Sd/-  
**P BAJORIA**  
Director

Place : Kolkata

Dated : the 02nd day of September, 2014

# INFINITY TOWNSHIPS PRIVATE LIMITED

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## **Note 1: Significant Accounting Policies**

### **A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

- a) The Financial statements have been prepared under historical cost accounting, in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956.
- b) The Books of Accounts are maintained on accrual concept, unless stated otherwise.
- c) Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

### **B. REVENUE RECOGNITION**

Revenue from Real Estate Project is recognised upon transfer of all significant risks & rewards of ownership to the buyers and when it is reasonably certain that the ultimate collection will be made and no significant uncertainty exists regarding the amount of consideration.

However, where the Company still has obligation to perform substantial acts even after the transfer of all significant risks and rewards, revenue is recognized on Percentage of Completion Method (POC) when the criteria specified in the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by Institute of Chartered Accountants of India are satisfied. The stage of completion under the POC method is measured on the basis of percentage that actual costs incurred on Real Estate projects including land, construction and development cost bears to the total estimated cost of the project. The estimates of the projected revenues, projected profits, projected costs, costs to completion and the forceable loss are reviewed periodically by the management and any effect of changes in estimates is recognized in the period such changes are determined.

Dividend Income is recognized when right to receive is established.

### **C. FIXED ASSETS**

Fixed Assets have been stated at cost less accumulated depreciation.

### **D. DEPRECIATION**

Depreciation has been provided on prorata basis on Straight Line Method as per the rates prescribed under Schedule XIV of the Companies Act, 1956.

### **E. INVESTMENTS**

Long Term Investments are stated at cost. Provision for diminution is made when such diminution is considered other than temporary in nature.

# INFINITY TOWNSHIPS PRIVATE LIMITED

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## **F. INVENTORIES**

### a) WORK IN PROGRESS

The value of Work in Progress is aggregate of construction and development expenses, materials, borrowing costs, other overheads relating to projects under construction. Works in Progress is valued at cost.

b) Completed real estate project are valued at lower of cost or net realizable value.

c) Stocks in Shares are valued at cost or market value/fair value which ever is lower.

## **G. EMPLOYEE BENEFITS**

a) Contribution to Provident Fund is accounted for on accrual basis.

b) Provision for Leave Entitlement is accrued and provided on the basis of balance leave at the close of the year.

c) Gratuity Liability is accounted on accrual basis.

## **H. BORROWING COST**

Borrowing cost attributable to the construction of qualifying assets as defined in Accounting Standard - 16 on Borrowing Cost, are capitalized as part of the cost of construction. Other borrowing cost is expensed as incurred.

## **I. MISCELLANEOUS EXPENDITURE**

Preliminary Expenses are being proportionately written off over a period of 5 years.

## **J. TAXATION**

a) Provision for Income Tax has been made in accordance with the provisions of the Income Tax Act, 1961.

b) Deferred Tax resulting from timing difference between book profits and taxable profits are accounted for to the extent deferred tax liabilities are expected to crystallize with reasonable certainty. However, in case of deferred tax assets (representing unabsorbed depreciation or carried forward losses) they are recognized, only if there is virtual certainty that there would be adequate future taxable income against which such deferred tax assets can be realized. At each balance sheet date, recognized & unrecognized deferred tax assets are reviewed.

## **K. PROVISIONS AND CONTINGENT LIABILITIES**

A Provision is recognized when there is present obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are disclosed after an evaluation of the facts and legal aspects of the matters involved.



## **L. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumption that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements . Actual results could differ from those estimates . Any revision to accounting estimates is recognized prospectively in current and future periods.

# INFINITY TOWNSHIPS PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.01: SHARE CAPITAL</u></b>		
<b>Authorised</b> 100,000 (Previous Year 100,000) Equity Shares of Rs.10/- each	1,000,000	1,000,000
<b>Issued, Subscribed &amp; Paid Up</b> 85,100 (Previous Year 85,100) Equity Shares of Rs.10/- each fully paid up.	851,000	851,000
	<b>851,000</b>	<b>851,000</b>
<b>Reconciliation of Share Capital (In Numbers)</b>		
Shares Outstanding at the Beginning of the Year	85,100	85,100
Shares Outstanding at the Closing of the Year	85,100	85,100
<b>Reconciliation of Share Capital</b>		
Shares Outstanding at the Beginning of the Year	851,000	851,000
Shares Outstanding at the Closing of the Year	851,000	851,000
<b>Terms/Rights Attached to Shares</b> The Company has only one class of Equity Shares having a Par Value of Rs.10/- per Share. Each Shareholder is eligible for one vote per Share. The Dividend proposed by the Board of Directors is subject to the approval of shareholders. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.		
<b>Equity Shares in Company held by Holding Company</b> Infinity Infotech Parks Limited & its Nominees	85,100	85,100
<b>List of Shareholders Holding more than 5% Shares (In Numbers)</b> Infinity Infotech Parks Limited & its Nominees	85,100	85,100
<b><u>Note 2.02: RESERVES &amp; SURPLUS</u></b>		
<b>Securities Premium Account</b>		
Opening Balance	750,000	750,000
Closing Balance	<b>750,000</b>	<b>750,000</b>
<b>Surplus in Statement of Profit &amp; Loss</b>		
Opening Balance	17,639	-
Add : Profit/(Loss) for the Year	606,618	17,639
Closing Balance	<b>624,257</b>	17,639
	<b>1,374,257</b>	<b>767,639</b>

# INFINITY TOWNSHIPS PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.03: LONG TERM BORROWINGS</u></b>		
<b>Secured</b>		
Term Loans		
From Corporation Bank	279,699	10,103
[ Secured against the Hypothecation of Car Financed ].		
[ The Floating Interest Rate is 10.45% and Repayable in 60 monthly installments commencing from the month the loan is availed ].		
[ Amount Due within 12 months Rs.81,972/- (Previous Year Rs.114,662/-) is shown under Current Maturities of Long Term Debt (Refer Note No. 2.06) ].		
From ICICI Bank	585,206	1,112,324
[ Secured against the Hypothecation of Car Financed ].		
[ The Fixed Interest Rate is in between 10.50% and Repayable in 60 monthly installments commencing from the month the loan is availed ].		
[ Amount Due within 12 months Rs.527,118/- ( Previous Year Rs.653,227/-) is shown under Current Maturities of Long Term Debt (Refer Note No. 2.06) ].		
	<b>864,905</b>	<b>1,122,427</b>
<b><u>Note 2.04: LONG TERM PROVISIONS</u></b>		
Provision for Employee Benefits	1,765,631	1,222,834
	<b>1,765,631</b>	<b>1,222,834</b>
<b><u>Note 2.05: SHORT TERM BORROWINGS</u></b>		
<b>Unsecured</b>		
Loans from Bodies Corporate	105,000,000	341,500,000
	<b>105,000,000</b>	<b>341,500,000</b>
<b><u>Note 2.06: OTHER CURRENT LIABILITIES</u></b>		
Current Maturities of Long Term Debt [ Refer Note No. 2.03 ]	609,090	767,889
Advance from Related Parties [ Refer Note No. 2.24]	757,030,000	496,100,000
Advance from Customers	1,120,890	67,892,153
Other Payables	113,344,136	81,378,294
Expenses Payable	1,040,179	827,313
Interest Accrued and Due	2,219	2,219
Interest Accrued but not Due	-	249,200
Statutory Liabilities	1,079,305	1,770,965
	<b>874,225,819</b>	<b>648,988,033</b>
<b><u>Note 2.07: SHORT TERM PROVISIONS</u></b>		
Provision for Employee Benefits	180,857	230,076
Provision for Tax	133,633	8,472
	<b>314,490</b>	<b>238,548</b>

# INFINITY TOWNSHIPS PRIVATE LIMITED

## Note 2.08: FIXED ASSETS

DESCRIPTION OF ASSETS	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK
	As at 01/04/2013	Additions	Deductions / Adjustments	As at 31/03/2014	Upto 31/03/2013	Additions	Adjustments	Upto 31/03/2014	As at 31/03/2014
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b><u>Tangible Assets</u></b>									
Plant & Machinery	1,113,732	-	-	1,113,732	161,781	52,903	-	214,684	899,048
	(1,113,732)	(-)	(-)	(1,113,732)	(108,878)	(52,903)	(-)	(161,781)	(951,951)
Furniture, Fixtures & Equipments	4,577,437	328,137	-	4,905,574	826,021	345,416	-	1,171,437	3,734,137
	(4,450,984)	(126,453)	(-)	(4,577,437)	(509,619)	(316,402)	(-)	(826,021)	(3,751,416)
Motor Vehicles	5,542,412	749,125	-	6,291,537	1,242,066	581,577	-	1,823,643	4,467,894
	(5,542,412)	-	(-)	(5,542,412)	(715,536)	(526,530)	(-)	(1,242,066)	(4,300,346)
<b>Total</b>	<b>11,233,581</b>	<b>1,077,262</b>	<b>-</b>	<b>12,310,843</b>	<b>2,229,868</b>	<b>979,896</b>	<b>-</b>	<b>3,209,764</b>	<b>9,101,079</b>
	<b>(11,107,128)</b>	<b>(126,453)</b>	<b>(-)</b>	<b>(11,233,581)</b>	<b>(1,334,033)</b>	<b>(895,835)</b>	<b>(-)</b>	<b>(2,229,868)</b>	<b>(9,003,713)</b>

Note: Figures in bracket represent previous year's amounts.

# INFINITY TOWNSHIPS PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.09: NON CURRENT INVESTMENTS</u></b>		
<b>Investment in Equity Instruments - At Cost (Trade, Unquoted, Fully Paid Up)</b>		
<b>In Subsidiary Companies</b>		
Infinity Housing Projects Pvt. Ltd. [ 1,000,000 (Previous Year 1,000,000) Equity Shares of Rs.10 each ].	301,794,313	301,794,313
Trisakti Infradev Pvt. Ltd. [ NIL (Previous Year 500,000) Equity Shares of Rs.10 each ].	-	64,606,375
	<b>301,794,313</b>	<b>366,400,688</b>
<b><u>Note 2.10: LONG TERM LOANS &amp; ADVANCES</u></b>		
<b>Unsecured, Considered Good</b>		
Advances (Recoverable in Cash or in kind or for Value to be received)	1,528,524	1,631,104
Security Deposits	617,650	617,650
	<b>2,146,174</b>	<b>2,248,754</b>
<b><u>Note 2.11: OTHER NON CURRENT ASSETS</u></b>		
Preliminary Expenses	16,000	24,000
	<b>16,000</b>	<b>24,000</b>
<b><u>Note 2.12: INVENTORIES</u></b>		
Stock - In - Trade [ Valued at Cost or Market Price whichever is lower ].	67,029,825	67,029,825
	67,029,825	67,029,825
Work - In - Progress		
Building Work In Progress	723,307,210	592,220,039
Less: Cost of Construction Recognized in P&L A/C upto FY 2012-13	58,817,200	58,817,200
Cost of Construction Recognized in P&L A/C for the FY 2013-14	208,037,172	-
	456,452,838	533,402,839
	<b>523,482,663</b>	<b>600,432,664</b>
<b><u>Note 2.13: CASH AND CASH EQUIVALENTS</u></b>		
Cash on Hand	50,303	9,105
Balance with Banks	459,181	759,071
	<b>509,484</b>	<b>768,176</b>

# INFINITY TOWNSHIPS PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.14: SHORT TERM LOANS &amp; ADVANCES</u></b>		
<b>Unsecured, Considered Good</b>		
Advances (Recoverable in Cash or in kind or for Value to be received)	21,428,880	20,687,429
Advance Tax Including Tax Deducted At Source	65,861	1,188
Service Tax Receivable	3,466,242	3,214,260
Security Deposits	11,829,803	11,829,803
MAT Credit Entitlement	130,136	-
	<b>36,920,922</b>	<b>35,732,680</b>
<b><u>Note 2.15: OTHER CURRENT ASSETS</u></b>		
Prepaid Expenses	1,224,965	809,156
Unbilled Receivable	137,444,731	26,599,944
Preliminary Expenses	8,000	8,000
	<b>138,677,696</b>	<b>27,417,100</b>

# INFINITY TOWNSHIPS PRIVATE LIMITED

	Year Ended 31.03.2014 Rs.	Year Ended 31.03.2013 Rs.
<b><u>Note 2.16 REVENUE FROM OPERATIONS</u></b>		
Revenue from Residential Project	215,318,169	66,224,835
	<b>215,318,169</b>	<b>66,224,835</b>
<b><u>Note 2.17: OTHER INCOME</u></b>		
Profit On Sale Of Shares	393,625	-
Interest Income	9,276	-
	<b>402,901</b>	<b>-</b>
<b><u>Note 2.18: EMPLOYEE BENEFITS EXPENSES</u></b>		
Salaries	1,970,482	2,080,532
Contribution to Provident, Gratuity & Other Funds	203,972	199,122
Workmen & Staff Welfare Expenses	37,889	55,159
	<b>2,212,343</b>	<b>2,334,813</b>
<b><u>Note 2.19: FINANCE COSTS</u></b>		
Interest Expenses	151,049	218,919
	<b>151,049</b>	<b>218,919</b>
<b><u>Note 2.20: OTHER EXPENSES</u></b>		
Auditor Remuneration	61,500	79,500
Insurance	690,511	614,451
Misc Expenses	2,890,622	3,206,537
Rates & Taxes	33,132	23,469
Preliminary Expenses Written Off	8,000	8,000
	<b>3,683,765</b>	<b>3,931,957</b>

# INFINITY TOWNSHIPS PRIVATE LIMITED

## **Note 2.21: Contingent Liabilities And Commitments (To The Extent Not Provided For)**

The estimated amount of contracts, net of advances remaining to be executed on capital account as on 31/03/14 Rs178,829,991/- (Previous year Rs183,739,974/-)

## **Note 2.22: Employee Benefits**

- a) Employees Liability on account of Gratuity has been provided on accrual basis.
- b) The earned leave liability arises as and when services are performed by an employee. The aforesaid liability is calculated for leave balance outstanding as on reporting date which is higher than the actuarial Valuation as required under Accounting Standard AS-15.
- c) Change in present value of obligation: -

Particulars	Compensated Absences (Rs.)	
	2013-14	2012-13
Present value of obligations at the beginning of year	1,036,476	862,787
Interest Cost	-	-
Current service cost	318,079	237,927
Less: Benefits paid	47,331	64,238
Actuarial (gain) / loss on obligation	-	-
<b>Present value of obligations at year end</b>	<b>1,307,224</b>	<b>1,036,476</b>

- d) Reconciliation of present value of defined benefit obligation: -

Particulars	Compensated Absences (Rs.)	
	2013-14	2012-13
Present value of unfunded obligations at the beginning of year	1,307,224	1,036,476
Fair value of plan assets as at the end of the period.	-	-
Present value of unfunded obligations at year end	1,307,224	1,036,476
<b>Unfunded Net Liability</b>	<b>1,307,224</b>	<b>1,036,476</b>



# INFINITY TOWNSHIPS PRIVATE LIMITED

e) Expenses recognized: -

Particulars	Compensated Absences (Rs.)	
	2013-14	2012-13
Current Service Cost	318,079	237,927
Interest Cost	-	-
Less: Expected return on plan Assets	-	-
Net actuarial (gains) / losses	-	-
<b>Expenses recognized</b>	<b>318,079*</b>	<b>237,927*</b>

\* included in Employment Benefit Expenses (Refer Note No. 2.12 & 2.18)

f) Principal actuarial assumptions: -

Sl. No.	Particulars	Rate %
I	Discount rate as at 31.03.2014	8.75
II	Future salary increase	7

## **Note 2.23: Segment Reporting**

No separate reportable segmental disclosure is given as per the requirement of Accounting Standard- 17 on Segment Reporting as the Company operates in a single business segment.

## **Note 2.24: Related Party Disclosures**

A. Relations

- (i) Holding Company : Infinity Infotech Parks Ltd.  
(Holding 100% equity in the Company)
- (ii) Subsidiary Companies : Infinity Housing Projects Pvt. Ltd.  
: Trisakti Infradev Pvt. Ltd. (upto 25.02.2014)
- (iii) Joint Venturer's : Assam Plywood Ltd.  
: India Carbon Ltd.  
: Bengal Waterproof Ltd.
- (iv) Other / Associates : Infinity BNKe Infocity Pvt. Ltd.  
: Infinity Finance Ltd.  
: Infinity Jaipur Knowledge City Pvt. Ltd.  
: Infinity Knowledge City Pvt. Ltd.  
: Infinity Griha Nirmaan Pvt. Ltd.  
: Infinity Villa Pvt. Ltd.  
: Brainspace Management & Skill Education Ltd.  
(w.e.f.30.08.2013)  
: Infinity Infrastructure Ltd.  
: Eureka Complex Pvt. Ltd.

# INFINITY TOWNSHIPS PRIVATE LIMITED

: Starpoint Housing Pvt. Ltd.

: Wisley Real Estate Pvt. Ltd.

: Tulip Dealers Pvt. Ltd.

(v) Key Management Personnel : Mr. P Bajoria

Note: Related party relationship is as identified by the Company and relied upon by the Auditors

B. Transactions carried out with related parties referred in A above, in ordinary course of business:

Related Party	Nature Of Transaction	Transaction During The Year (Rs.)	Balance As on 31-03-2014 (Rs.)
Infinity Infotech Parks Ltd.	Advance – Received  - Paid	1,800,000 (157,400,000) 14,500,000 (135,971,382)	483,400,000 (496,100,000)
Infinity BNKe Infocity Pvt. Ltd.	Advance – Received  - Paid	195,475,000 (-) 11,320,000 (-)	184,155,000 (-)
Infinity Griha Nirmaan Pvt. Ltd.	Advance – Received  - Paid	90,075,000 (-) 600,000 (-)	89,475,000 (-)
Assam Plywood Ltd.	Liability on account of expenses paid/accounted for	2,380,123 (2,004,489)	690,411 (926,884)
Bengal Waterproof Ltd.	Security Deposit Given	- (-)	11,829,803 (11,829,803)
Infinity Housing Projects Pvt. Ltd.	Advance – Received  - Paid	1,000 (221,800,000) 1,000 (221,800,000)	- (-)
Trisakti Infradev Pvt. Ltd.	Advance – Received  - Paid	300,000 (73,510,000) 300,000 (73,510,000)	- (-)

Note: Figures in bracket represent previous year's amounts.

## INFINITY TOWNSHIPS PRIVATE LIMITED

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### **Note 2.25: Earning Per Share**

<b>Earnings Per Share (EPS)</b>	<b>2013-14</b>	<b>2012-13</b>
Profit After Tax considered for calculating EPS	Rs.606,618/-	Rs.17,639/-
Weighted average number of ordinary shares of Rs.10/- each	85,100	85,100
Earnings Per Share (Basic and Diluted)	Rs.7.13	Rs.0.21

### **Note 2.26: Accounting for Taxes on Income**

The Company has recognized in the financial statements the Deferred Tax Assets / Liabilities, in accordance with AS-22 'Accounting for Taxes on Income' issued by ICAI. During the year the company has credited to the Statement of Profit & Loss with Deferred Tax Liability of Rs.55,202/- (Previous year Liability Rs.NIL).

The break up of net Deferred Tax liability in to measure components of the respective balances are as follows: -

<b>Particulars</b>	<b>2013-14 (Rs.)</b>	<b>2012-13 (Rs.)</b>
<b>Deferred Tax Liability</b>		
On account of timing difference in Depreciation	180,627	-
<b>Deferred Tax Assets</b>		
<b>On account of timing difference on :</b>		
Expenses allowed on payment basis	(75,865)	-
Unabsorbed Depreciation and Loss	(49,561)	-
<b>Net Deferred Tax Liability</b>	<b>55,202</b>	<b>-</b>

### **Note 2.27: Impairment of Assets**

In the opinion of the Management, there is no impairment of the assets to which Accounting Standard- 28 applies requiring any recognition.

# INFINITY TOWNSHIPS PRIVATE LIMITED

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## **Note 2.28: Additional Information as Required in Part II of Revised Schedule VI of the Companies Act, 1956**

<b>Auditors' Remuneration</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
	<b>Rs.</b>	<b>Rs.</b>
1) Audit Fees	56,180/-	56,180/-
2) Other Services (Including Service Tax)	12,921/-	36,235/-

## **Note 2.29: Other Disclosures**

- i. The Company has entered into joint development agreement with Assam Plywood Ltd. for construction of residential project at Guwahati, Assam, whereby the Company will incur all developmental cost as envisaged in the said agreement and in consideration thereof shall be entitled to the proportionate of total built-up area as well as of total parking area with a right to control the management and maintenance of the project commercially and has agreed in principal to contribute Rs.143,000,000/-. Work-in-progress pending allocation for ongoing projects of the Company and amounting to Rs.454,918,943/- (Previous year Rs.532,019,013/-) is net of cost of percentage of completed contract charged to Statement of Profit and Loss Rs.208,037,172/- (Previous year Rs. 58,817,200/-).
- ii. The Company has entered into joint development agreement with India Carbon Ltd. for construction of project at Guwahati, Assam, whereby the Company will incur all developmental cost as envisaged in the said agreement and in consideration thereof shall be entitled to the proportionate of total built-up area as well as of total parking area with a right to control the management and maintenance of the project commercially and has agreed in principal to contribute Rs.162,000,000/-, however the Capital commitment of the Company in the project remain unascertained.
- iii. The Company has entered into joint development agreement with Bengal Waterproof Ltd. for construction of Residential Project at Panihati, P.S.Khardah, West Bengal, whereby the company will incur all developmental cost as envisaged in the said agreement and in consideration thereof shall be entitled to the 75% of total constructed areas including car parking and common areas and has agreed in principal to contribute Rs.60,000,000/-, however the Capital commitment of the Company in the project is Rs.440,000,000/-.
- iv. Based upon information available with the Company, there is no balance due to Micro and Small Enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006. There is no interest liability either paid or payable under the terms of the said Act.

# INFINITY TOWNSHIPS PRIVATE LIMITED

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v. Figures for the previous year have been regrouped and / or rearranged, wherever necessary.

As per our report of this date attached.

**For R KOTHARI & COMPANY      FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Chartered Accountants**

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**

**Sd/-**  
**R JALAN**  
**Director**

**Sd/-**  
**P BAJORIA**  
**Director**

**Place: Kolkata**

**Dated: the 02<sup>nd</sup> day of September, 2014**

# INFINITY TOWNSHIPS PRIVATE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31.03.2014 Rs.	Year ended 31.03.2013 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	656,845	26,111
Adjustment for :		
Depreciation and Amortisation Expenses	979,896	895,835
Finance Costs	151,049	218,919
Preliminary Expenses Written Off	8,000	8,000
<b>Operating Profit before Working Capital Changes</b>	<b>1,795,790</b>	<b>1,148,865</b>
Adjustment for :		
Work - In - Progress	76,950,001	(150,087,254)
Loans and Advances/Other Assets	(112,346,258)	7,273,083
Trade/Other Payable	206,875,058	139,138,480
<b>Cash generated from/(used) in Operating Activities</b>	<b>173,274,591</b>	<b>(2,526,826)</b>
Direct Taxes	4,975	(8,472)
<b>Net Cash from/(used) in Operating Activities</b>	<b>173,279,566</b>	<b>(2,535,298)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(1,077,262)	(126,453)
Investments in Subsidiaries	64,606,375	-
<b>Net Cash from / (used) in Investing Activities</b>	<b>63,529,113</b>	<b>(126,453)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase in Borrowings	(236,916,321)	(1,747,752)
Finance Cost	(151,049)	(218,919)
<b>Net Cash used in Financing Activities</b>	<b>(237,067,370)</b>	<b>(1,966,671)</b>
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(258,691)</b>	<b>(4,628,422)</b>
Cash and Cash Equivalents at the Beginning	768,176	5,396,598
<b>Cash and Cash Equivalents at the Close</b>	<b>509,484</b>	<b>768,176</b>

This is the cash flow statement referred to in our report on even date

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**R JALAN**  
Director

Sd/-  
**P BAJORIA**  
Director

Place : Kolkata

Dated : the 02nd day of September, 2014

# 7th ANNUAL REPORT 2013 - 2014

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## DIRECTORS

Mr. S Kalbalia

Mr. R Jalan

Mr. P Kedia

## AUDITORS

R Kothari & Company  
Chartered Accountants  
16A, Shakespeare Sarani,  
Kolkata 700071

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# INFINITY FINANCE LIMITED

## DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the 7<sup>th</sup> Annual Report together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2014.

### FINANCIAL RESULTS

The salient features of the Financial Results of the Company for the year under review is as follows:

	Year Ended 31.03.2014 (Amount in Rs.)	Year Ended 31.03.2013 (Amount in Rs.)
<b>Total Revenue</b>	<b>5,743,340</b>	<b>6,719,589</b>
Profit Before Tax	3,054,628	2,760,369
<b><u>Tax Expenses</u></b>		
Current Tax	1,108,683	591,587
Mat Credit Entitlement	(142,403)	(40,720)
Short Income Tax Provided in Earlier Year	2,179	-
<b>Profit After Tax</b>	<b>2,086,169</b>	<b>2,209,502</b>
Balance Brought Forward from Previous Year	58,675	(1,705,827)
<b><u>Appropriations</u></b>		
Transferred to Special Reserve U/s. 45IC of RBI Act, 1934	420,000	445,000
<b>Balance to be Carried Forward</b>	<b>1,724,844</b>	<b>58,675</b>

### TRANSFER TO RESERVES

During the year under review an amount of Rs. 420,000/- (Previous Year: 445,000/-) has been transferred out of the current profits of the Company to Special Reserve pursuant to U/s.45IC of RBI Act, 1934.

### DIVIDEND

Your Directors feel that it is prudent to plough back the profits for future growth of the Company and do not recommend any dividend for the year 31<sup>st</sup> March 2014.

### THE COMPANIES ACT, 2013

The Ministry of Corporate Affairs (MCA) has notified 282 sections of the Companies Act, 2013 in tranches in September, 2013 and March 2014 with majority of the Sections as well as the rules being notified in March 2014 and made effective from 1st April, 2014. The Companies Act, 1956 continues to be in force to the extent of the corresponding provisions of the new Act which are yet to be notified. MCA vide its circular dated April 4, 2014 has clarified that



## **INFINITY FINANCE LIMITED**

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the Financial statements and documents annexed thereto, auditor's report and board's report in respect of the Financial year that has commenced earlier than April 1, 2014 shall be governed by the provisions of the Companies Act, 1956 and accordingly, the Financial statements and documents annexed thereto, auditor's report and board's report and the attachments thereto have been prepared in accordance with the provisions of the Companies Act, 1956. With respect to the other provisions of the Act, appropriate references have been made in this report to the extent these provisions have become applicable effective April 1, 2014.

### **DIRECTORS**

During, the year under review, Mr. Gouri Shankar Bajoria resigned as a Director of the Company with effect from 11<sup>th</sup> December, 2013 respectively. The Board place on record its high appreciation and gratitude for the valuable services rendered by him during his tenure as Director of the Company.

Mr. Satish Kumar Kalbalia was appointed as an Additional Director of the Company with effect from 11<sup>th</sup> December, 2013 in terms of Section 161 of the Companies Act, 2013 and holds office only upto the date of ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing his name for the office of Director.

Mr. Piyush Kedia, retires by rotation at the ensuing Annual General Meeting and, being eligible offer himself for re-appointment pursuant to Section 152 of the Companies Act, 2013 and Articles of Association of the Company.

The Board of Directors of your Company recommends the appointment/re-appointment of the above Directors at the ensuing Annual General Meeting.

### **DEPOSITS**

Your Company has not accepted any deposits under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance with Section 217(2AA) of the Companies Act, 1956 the Directors, to the best of their knowledge and belief confirm:

1. That for the preparation of the Accounts for the year ended 31<sup>st</sup> March, 2014 the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. That the Directors have selected such accounting policies as mentioned in Note No.1 of the Annual Accounts and applied them consistently and made such judgments and estimates that were reasonable and prudent so as to give a true and fair view of the

## **INFINITY FINANCE LIMITED**

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State of Affairs of the Company as at 31<sup>st</sup> March, 2014 and of the Profit & Loss of the Company for the Financial Year ended on that date.

3. That the Directors have taken proper and sufficient care 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.
4. That the Directors have prepared the Accounts for the year ended 31<sup>st</sup> March, 2014 on a "going concern basis."

### **SECRETARIAL COMPLIANCE CERTIFICATE**

Pursuant to Section 383A of the Companies Act, 1956, inserted by the Companies (Amendment) Act, 2000, the Compliance Certificate for the year ended 31<sup>st</sup> March, 2014 is annexed herewith and forms part of this report.

### **NON-BANKING FINANCIAL (NON – DEPOSIT ACCEPTING OR HOLDING) COMPANIES PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS, 2007 ('NBFC REGULATIONS')**

Your Company continues to carry on its business of Non-Banking Finance Company as Non-Deposit Taking Company and follows the prudent financial management norms as applicable and continues to progressively follow the accounting standards and principals on revenue recognition, provisioning and asset classification.

Your Company annexed a statement containing particulars as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, in Notes to the Balance Sheet as applicable to the Company.

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

As the Company did not carry on any manufacturing activity, and in view of the nature of activities which are carried on by the Company, the particulars as prescribed under Section 217(1)(e) of the Act, read with Rule 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 concerning Conservation of Energy and Technology Absorption respectively, are not applicable to the Company.

# **INFINITY FINANCE LIMITED**

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During the year under review, there was no foreign exchange earnings and outgo.

## **PARTICULARS OF EMPLOYEES**

The Company has no employee during the year and as such particulars of employees required to be disclosed in terms of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, are not applicable to the Company.

## **AUDITORS' REPORT**

The Notes on Accounts referred to by the Auditors in their Report are self-explanatory and require no further explanation.

## **AUDITORS**

M/s. R Kothari & Company, Chartered Accountants, (Firm Registration No. 307069E) the Statutory Auditors of the Company, retire as Auditors of your Company at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office of Auditors, if re-appointed.

As required under the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the Company has obtained written consent from the Auditors to such re-appointment and also a certificate to the effect that their re-appointment, if made, would be in conformity within the limits specified in Section 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment. The Auditors shall be appointed for a term of five years and shall hold office from the conclusion of the ensuing Annual General Meeting till conclusion of the 12<sup>th</sup> Annual General Meeting of the Company (subject to ratification of their re-appointment at every Annual General Meeting). Your Directors recommended their re-appointment as the Statutory Auditors at the ensuing Annual General Meeting.

## **ACKNOWLEDGEMENT**

Your Directors place on record their appreciation for the valuable contributions and co-operations received by the Company from its Bankers, other associates of the Company and Statutory Authorities.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**S KALBALIA**  
Director

Sd/-  
**P KEDIA**  
Director

**Place: Kolkata**

**Dated: The 02<sup>nd</sup> day of September, 2014**

**COMPLIANCE CERTIFICATE**

(In Terms Of Section 383A (1) Of The Companies Act, 1956 and Rule 3(1) of the Companies  
(Compliance Certificate) Rules, 2001)

Registration No. of the Company: 21 – 116085  
CIN No. of the Company: U65993WB2007PLC116085  
Nominal Capital: Rs. 20,000,000/-  
Paid up Capital: Rs. 8,500,000/-

To,  
The Members,  
**M/s. INFINITY FINANCE LIMITED**  
"Infinity", Plot -A3, Block-GP, Sector-V,  
Salt Lake Electronics Complex  
Kolkata - 700091

We have examined the registers, records, books and papers of **M/s. INFINITY FINANCE LIMITED** (“the Company”) as required to be maintained under the Companies Act, 1956 (“the Act”) and the rules made thereunder and also the provisions contained in the Memorandum & Articles of Association of the Company for the financial year ended 31st March, 2014 (“financial year”). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure - `A' to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure - `B' to this certificate, with the Ministry of Corporate Affairs (Registrar of Companies), Regional Director, Central Government, Company Law Board or other Authorities within the time prescribed under the Act and the rules made there under.
3. The Company, being a Public Limited Company, the restrictive clauses as provided in Section 3(1)(iii) are not applicable.
4. The Meeting of the Board of Directors of the Company duly held 4 (Four) times respectively on 28.06.2013 , 27.09.2013 , 11.12.2013 and 24.03.2014 in respect of which meetings, proper notices were given and the proceedings were properly signed and recorded in the Minutes Book maintained for the purpose.
5. The Company was not required to close its Register of Members during the financial year under review.

6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March, 2013 was held on 2<sup>nd</sup> August, 2013 after giving due notices to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. The Company has not convened any Extra-Ordinary General Meeting during this financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies 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 as required to be 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 Central Government.
12. The Company has not issued any duplicate Share Certificates during the financial year.
13.
  - i) There was no allotment / transfer / transmission of securities during the financial year.
  - ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
  - iii) The Company was not required to post warrants to any member of the company as no dividend was declared during the financial year.
  - iv) The Company was not required to transfer any amount to Investor Education and Protection Fund during the financial year.
  - v) The Company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was an appointment of Additional Director and Resignation of Director during the financial year.

15. The Company has not appointed any Managing Director / Whole-time Director / Manager during the financial year, as there was no need to do so as per Section 269 of the Act.
16. The Company has not appointed any Sole Selling Agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board , Regional Director, Registrar and /or such Authorities prescribed under the various provisions of the Act during the financial Year.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the act and the rules made thereunder.
19. The Company has not issued any shares / debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any Preference Shares or Debentures, hence the redemption of the same during the financial year does not arise.
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 deposits including any unsecured loans falling within the purview of Section 58A and 58AA read with Companies (Acceptance of Deposit ) Rules, 1975, during the financial year.
24. The Company has not made any borrowings during the financial year ending 31<sup>st</sup> March, 2014.
25. The Company has not made investments, loans and advances in the other bodies corporate during the financial year, being a Non-Banking Finance Company, (Non-Deposit Accepting/Holding Investment Company), registered under Section 45IA of the Reserve Bank of India Act, 1934 the provisions of Section 372A of the Companies Act, 1956 as well as corresponding Section 186 of the Companies Act 2013 are not applicable.

26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the financial year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was / were no prosecutions initiated against or show cause notices received by the Company for alleged offences under the Act and no fines and penalties or any other punishment was imposed on the company during the financial year for offences under the Act.
32. As the Company does not have any employees, hence it has not received any money as security from employees in terms of Section 417(1) of the Act during the financial year.
33. As the Company has no employees, the provisions of Section 418 of the Act are not applicable, consequently it was not required to deduct any contribution towards the Provident Fund during the financial year.

**Place: Kolkata**  
**Date: 02<sup>nd</sup> September, 2014**

**Signature:**  
**For S. R. Associates**  
**(Company Secretaries)**

**Sd/-**  
**Geeta Shukla**  
**Partner**  
**(C.P. No.7741)**

**ANNEXURE - `A'**

**STATUTORY REGISTERS AS MAINTAINED BY THE COMPANY**

1.	Minutes Book of the Meetings of the Board of Directors of the Company	U/s 193
2.	Minutes Book of General Body Meetings of the Members of the Company	U/s 193
3.	Register of Members	U/s 150
4.	Register of Transfers	U/s 108
5.	Register of particulars of Contracts, Companies and firms in which Directors are interested	U/s 301
6.	Register of Directors, Managing Director, Manager and Secretary	U/s 303
7.	Register of Directors Shareholding	U/s 307
8.	Books of Accounts	U/s 209
9.	Returns	U/s 163
10.	Register of Directors and Shareholders Attendance	---

**ANNEXURE - `B'**

**Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other Authorities during the financial year ending 31<sup>st</sup> March, 2014 :**

<b>Form No/ Return</b>	<b>Filed Under Section</b>	<b>For</b>	<b>SRN No.</b>	<b>Date of Filing</b>	<b>Whether filed within prescribed time YES/NO</b>	<b>If delay in filing whether requisite additional fees paid YES/NO</b>
Form 66	383(A) & Rule 3(2)	Compliance Certificate in respect of financial year 2012-13	Q10006922	10/08/13	YES	NO
Form 20B	159	Annual Return made upto 02/08/2013	Q11057528	12/09/13	YES	NO
Form 23AC/ACA	220	Balance Sheet and Profit & Loss A/c. in respect of financial year 2012-13	Q10069961	13/08/13	YES	NO
Form 32		Appointment of Additional Director and Resignation of Director	B93947828	17/01/14	NO	YES



## **INDEPENDENT AUDITORS' REPORT**

**To**

**The Members of**

**INFINITY FINANCE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of INFINITY FINANCE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, 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 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 13th 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.

### **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 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 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.

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, 2014;
- (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.

### **Report on Other Legal & 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 Sub-Section (3) of Section 227 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 account as required by law have been kept by the Company so far as 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 and Statement of Profit and Loss 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 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
- e. On the basis of written representations received from the directors as on March 31, 2014, 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**  
**(Firm Registration No.307069E)**

Sd/-  
**KAILASH CHANDRA SONI**  
**Partner**  
**(Membership No.057620)**

**Place : Kolkata**

**Dated : the 02<sup>nd</sup> day of September , 2014**

## **ANNEXURE TO INDEPENDENT AUDITORS REPORT**

### **Referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirement” of our report of even date**

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:-

i. The Company does not have any fixed assets, so the provision of clause (a) to (c) are not applicable to the Company;

ii. As the Company does not have any inventory, so the provision of clause (a) to (c) are not applicable to the Company;

iii. (a) According to the information and explanation given to us, the Company, during the year, 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;

(b) According to the information and explanation given to us, the Company has not taken any loan, secured or unsecured from Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956;

iv. In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the Company and the nature of its business. During the course of our audit, no major persistent weakness has been noticed in the internal control;

v. (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered;

(b) In our opinion and according to the information, explanations and representation given to us, no transactions have been made during the year in pursuance of contracts or arrangements entered in the registers maintained under Section 301 and exceeding the value of Five Lakh Rupees in respect of any party;

- vi. The Company has, during the year, not accepted any deposit from the public and consequently the directives issued by the Reserve Bank of India and provisions of Section 58A and 58AA of the Companies Act, 1956 and the rules framed there under are not applicable;
- vii. The Company is yet to introduce a system of Internal Audit. The management of the Company is of view that considering the volume & nature of transactions at present, the formal introduction of Internal Audit system is not necessary and it shall be introduced in due course;
- viii. The Central Government has not prescribed maintenance of any cost records under Section 209(1) (d) of the Companies Act, 1956;
- ix. (a) According to the records of the Company, it has generally been regular in depositing undisputed statutory dues including income tax and other statutory dues applicable to it Company and no undisputed statutory dues were outstanding as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they became payable;
- (b) There are no disputed dues on account of income tax not paid by the Company;
- x. The Company does not have accumulated losses at the end of the financial year. The Company does not incurred cash losses during the financial year but incurred in the immediately preceding financial year;
- xi. As per information and explanations given to us, the Company has no dues to any financial institution or bank or debenture holders;
- xii. As explained to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities;
- xiii. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provision of this clause is not applicable to the Company;
- xiv. The Company has maintained proper records of its dealing in shares and securities and the investments are held in the name of the Company except to the extent of exemption granted under Section 49 of the Companies Act, 1956;
- xv. According to the information and explanations given to us, and the representations made by the management, the Company has not given any guarantee for loans taken by others from bank or financial institutions;
- xvi. As the Company does not have any term loan, so the provision of this clause is not applicable to the Company;

- xvii. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we are of the opinion that, prima facie no funds raised on short term basis have been used for long-term purposes;
- xviii. We report that the Company, during the year, 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. According to the information and explanations given to us, the Company has not issued any debentures;
- xx. The Company has not raised any money by public issue during the year under report;
- xxi. According to the information and explanations given by the Management, and to the best of our knowledge and belief, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

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

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**  
**(Membership No.057620)**

**Place : Kolkata**

**Dated: the 02<sup>nd</sup> day of September, 2014**

*R. Kothari & Company*  
**CHARTERED ACCOUNTANTS**  
*16A Shakespeare Sarani, Kolkata - 700071*

**AUDITORS' REPORT UNDER DIRECTIONS FROM RESERVE BANK OF INDIA FOR  
PUBLIC DEPOSITS**

**Auditor's Report of M/s. INFINITY FINANCE LIMITED**

As required by the "Non Banking Financial Companies Auditors' Report (Reserve Bank) Directions 1998" issued by Reserve Bank of India issued vide Notification No. DNBS. 201/DG (VL)-2008 dated the 18<sup>th</sup> September, 2008, in terms of sections sub-section (1A) of Section 45MA of the Reserve Bank of India Act, 1934 (2 of 1934), we report on the matters specified in paragraphs 3 (A) & (C) of the said directions to the extent applicable

- i. The Company has engaged in the Business of Non Banking Financial Institution and has obtained a certificate from the Reserve Bank of India Act, 1934 (2 of 1934) vide Certificate No. N-05.06740 dated 06.03.2008.
- ii. The Company during the Financial Year ended 31<sup>st</sup> March, 2014 was engaged in the business of Non-Banking Financial Institution requiring it to hold Certificate of Registration under Section 45IA of the Reserve Bank of India Act, 1934.
- iii. The Board of Directors has passed a resolution in their meeting dated 28<sup>th</sup> day of June, 2013 for the non- acceptance of any public deposits.
- iv. The Company has not accepted any public deposits during the relevant year and,
- v. The Company has complied with the prudential norms relating to income recognition; applicable accounting standards, assets classification and provision for doubtful debts as applicable to it in terms of Non-Banking Financial (Non- Depositing Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.

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

Sd/-  
**KAILASH CHANDRA SONI**  
**Partner**  
**(Membership No.057620)**

Place : Kolkata

Dated: the 02<sup>nd</sup> day of September, 2014

# INFINITY FINANCE LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at 31.03.2014 Rs.		As at 31.03.2013 Rs.	
<b><u>EQUITY AND LIABILITIES</u></b>					
<b>I. SHAREHOLDERS' FUNDS</b>					
Share Capital	2.01	8,500,000		8,500,000	
Reserves & Surplus	2.02	14,709,844	23,209,844	12,623,675	21,123,675
<b>II. NON CURRENT LIABILITIES</b>					
Long Term Provisions	2.03	1,330,672	1,330,672	797,330	797,330
<b>III. CURRENT LIABILITIES</b>					
Short Term Borrowings	2.04	6,500,000		17,500,000	
Other Current Liabilities	2.05	375,293,560		372,647,584	
Short Term Provisions	2.06	1,517,147	383,310,707	757,587	390,905,171
			<b>407,851,223</b>		<b>412,826,176</b>
<b><u>ASSETS</u></b>					
<b>I. NON CURRENT ASSETS</b>					
Non Current Investments	2.07	148,892,188	148,892,188	148,787,188	148,787,188
<b>II. CURRENT ASSETS</b>					
Cash & Cash Equivalents	2.08	154,041		66,134	
Short Term Loans & Advances	2.09	258,804,994		263,964,403	
Other Current Assets	2.10	-	258,959,035	8,451	264,038,988
			<b>407,851,223</b>		<b>412,826,176</b>

The Accompanying Notes are an Integral Part of the Financial Statements

1 & 2

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**S KALBALIA**  
Director

Sd/-  
**P KEDIA**  
Director

Place : Kolkata

Dated : the 02nd day of September, 2014



# INFINITY FINANCE LIMITED

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Note No.	Year Ended 31.03.2014 Rs.	Year Ended 31.03.2013 Rs.
I. Revenue from Operations	2.11	5,743,340	6,719,589
<b>II. Total Revenue (I)</b>		<b>5,743,340</b>	<b>6,719,589</b>
<b>III. EXPENSES</b>			
Finance Costs	2.12	1,516,274	3,505,096
Other Expenses	2.13	639,096	109,860
Contingent Provision against Standard Assets		-	344,264
Provision For Bad & Doubtful Assets		533,342	-
<b>Total Expenses</b>		<b>2,688,712</b>	<b>3,959,220</b>
<b>IV. Profit before Tax</b>		<b>3,054,628</b>	<b>2,760,369</b>
<b>V. Tax Expense:</b>			
Current Tax		1,108,683	591,587
Mat Credit Entitlementment		(142,403)	(40,720)
Short Income Tax Provided In Earlier Year		2,179	-
<b>VI. Profit for the Period</b>		<b>2,086,169</b>	<b>2,209,502</b>
<b>VII. Earning per Equity Share:</b>			
Basic		2.45	2.60
Diluted		2.45	2.60

The Accompanying Notes are an Integral Part of the Financial Statements

1 & 2

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**S KALBALIA**  
Director

Sd/-  
**P KEDIA**  
Director

Place : Kolkata

Dated : the 02nd day of September, 2014

## **Note 1: Significant Accounting Policies**

### **A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

- a) The Financial statements have been prepared under historical cost accounting, in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956.
- b) The Books of Accounts are maintained on accrual concept, unless stated otherwise.
- c) Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

### **B. REVENUE RECOGNITION**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Interest income is accounted for on accrual basis.

Dividend Income is recognised when right to receive is established.

### **C. INVESTMENTS**

Long Term Investments are stated at cost. Provision for diminution is made when such diminution is considered other than temporary in nature.

### **D. MISCELLANEOUS EXPENDITURE**

Preliminary Expenses are being proportionately written off over a period of 5 years.

### **E. TAXATION**

- a) Provision for Income Tax has been made in accordance with the provisions of the Income Tax Act, 1961.
- b) Deferred Tax resulting from timing difference between book profits and taxable profits are accounted for to the extent deferred tax liabilities are expected to crystallise with reasonable certainty. However, in case of deferred tax assets (representing unabsorbed depreciation or carried forward losses) they are recognised, only if there is virtual certainty that there would be adequate future taxable income against which such deferred tax assets can be realised. At each balance sheet date, recognised & unrecognised deferred tax assets are reviewed.

## **F. PROVISIONS AND CONTINGENT LIABILITIES**

A Provision is recognized when there is present obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are disclosed after an evaluation of the facts and legal aspects of the matters involved.

## **G. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumption that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

# INFINITY FINANCE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.01: SHARE CAPITAL</u></b>		
<b>Authorised</b> 2,000,000 (Previous Year 2,000,000) Equity Shares of Rs.10/- each	20,000,000	20,000,000
<b>Issued, Subscribed &amp; Paid Up</b> 850,000 (Previous Year 850,000) Equity Shares of Rs.10/- each fully paid up.	8,500,000	8,500,000
	<b>8,500,000</b>	<b>8,500,000</b>
<b>Reconciliation of Share Capital (In Numbers)</b>		
Shares Outstanding at the Beginning of the Year	850,000	850,000
Shares Outstanding at the Closing of the Year	850,000	850,000
<b>Reconciliation of Share Capital</b>		
Shares Outstanding at the Beginning of the Year	8,500,000	8,500,000
Shares Outstanding at the Closing of the Year	8,500,000	8,500,000
<b>Terms/Rights Attached to Shares</b>		
The Company has only one class of Equity Shares having a Par Value of Rs.10/- per Share. Each Shareholder is eligible for one vote per Share. The Dividend proposed by the Board of Directors is subject to the approval of shareholders. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.		
<b>Equity Shares in Company held by Holding Company</b> Infinity Infotech Parks Limited & its Nominees	850,000	850,000
<b>List of Shareholders Holding more than 5% Shares (In Numbers)</b> Infinity Infotech Parks Limited & its Nominees	850,000	850,000
<b><u>Note 2.02: RESERVES &amp; SURPLUS</u></b>		
<b>Securities Premium Account</b>		
Opening Balance	12,000,000	12,000,000
Closing Balance	12,000,000	12,000,000
<b>Special Reserve U/s 451C of RBI Act</b>		
Opening Balance	565,000	120,000
Add : Additions during the Year	420,000	445,000
Closing Balance	985,000	565,000
<b>Surplus in Statement of Profit &amp; Loss</b>		
Opening Balance	58,675	(1,705,827)
Add : Profit/(Loss) for the Year	2,086,169	2,209,502
Less : Transferred to Special Reserve U/s 451C of RBI Act	420,000	445,000
Closing Balance	1,724,844	58,675
	<b>14,709,844</b>	<b>12,623,675</b>

# INFINITY FINANCE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.03: LONG TERM PROVISIONS</u></b>		
Contingent Provision against Standard Assets [ Refer Note No. 2.20 (ii) ]	797,330	797,330
Provision For Bad & Doubtful Assets	533,342	-
	<b>1,330,672</b>	<b>797,330</b>
<b><u>Note 2.04: SHORT TERM BORROWINGS</u></b>		
<b>Unsecured</b>		
Loans from Bodies Corporate	6,500,000	17,500,000
	<b>6,500,000</b>	<b>17,500,000</b>
<b><u>Note 2.05: OTHER CURRENT LIABILITIES</u></b>		
Advance from Related Party [ Refer Note No. 2.16 ]	375,200,000	359,600,000
Expenses Payable	51,163	32,584
Other Payables	-	13,015,000
Statutory Liabilities	42,397	-
	<b>375,293,560</b>	<b>372,647,584</b>
<b><u>Note 2.06: SHORT TERM PROVISIONS</u></b>		
Provision for Taxation	1,700,270	757,587
Less:MAT Credit Availed	183,123	-
	<b>1,517,147</b>	<b>757,587</b>
<b><u>Note 2.07: NON CURRENT INVESTMENTS</u></b>		
<b>Investment in Equity Instruments - At Cost (Trade, Unquoted, Fully Paid Up)</b>		
<b>In Associate Companies</b>		
Capstone Developer Pvt. Ltd. [ 2,475,000 (Previous Year 2,475,000) Equity Shares of Rs.10/- each ].	24,811,875	24,811,875
Inthink Engineering Services Pvt. Ltd. [ Formerly Infinity Knowledge Ventures Pvt. Ltd. ] [ 7,500 (Previous Year 7,500) Equity Shares of Rs.10/- each ].	75,063	75,063
Infinity Odyssa Home Pvt. Ltd. [ 203,500 (Previous Year 203,500) Equity Shares of Rs.10/- each ].	9,975,125	9,975,125
Learning Revolution Pvt. Ltd. [ 40,000 (Previous Year 40,000) Equity Shares of Rs.10/- each ].	10,000,000	10,000,000
Raigarh Properties Pvt. Ltd. [ 750,000 (Previous Year 750,000) Equity Shares of Rs.10/- each ].	43,825,000	43,825,000
Videocon Infinity Infrastructure Pvt. Ltd. [ 5,000 (Previous Year 5,000) Equity Shares of Rs.10/- each ].	50,125	50,125
Databazaar Infinity Info Pvt. Ltd.	105,000	-

# INFINITY FINANCE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
[ 10,500 (Previous Year NIL) Equity Shares of Rs.10/- each ].		
<b>In Other Companies</b>		
Goodlook Infracon Pvt. Ltd. [ 360,000 (Previous Year 360,000) Equity Shares of Rs.10/- each ].	9,000,000	9,000,000
Pushpanjali Abasan Pvt. Ltd. [ 360,000 (Previous Year 360,000) Equity Shares of Rs.10/- each ].	9,000,000	9,000,000
Status Multiplex Pvt. Ltd. [ 360,000 (Previous Year 360,000) Equity Shares of Rs.10/- each ].	9,000,000	9,000,000
<b>Investment in Preference Shares - At Cost (Trade, Unquoted, Fully Paid Up)</b>		
<b>In Associate Company</b>		
Inthink Engineering Services Pvt. Ltd. [ Formerly Infinity Knowledge Ventures Pvt. Ltd. ] [ 3,305,000 (Previous Year 3,305,000) 14% Cumulative Redeemable Preference Shares of Rs.10/- each ].	33,050,000	33,050,000
	<b>148,892,188</b>	<b>148,787,188</b>
<b><u>Note 2.08: CASH AND CASH EQUIVALENTS</u></b>		
Cash on Hand	12,596	12,836
Balance with Banks	141,445	53,298
	<b>154,041</b>	<b>66,134</b>
<b><u>Note 2.09: SHORT TERM LOANS &amp; ADVANCES</u></b>		
<b>Unsecured, Considered Good</b>		
Loans & Advances (Recoverable in Cash or in kind or for Value to be received)	147,778,306	144,109,300
Loans & Advances to Related Parties [ Refer Note No. 2.16 ]	109,455,946	118,649,946
Advance Income Tax including Tax Deduction at Source	1,570,742	1,164,437
MAT Credit Entitlement	-	40,720
	<b>258,804,994</b>	<b>263,964,403</b>
<b><u>Note 2.10: OTHER CURRENT ASSETS</u></b>		
Prepaid Expenses	-	8,451
	<b>-</b>	<b>8,451</b>

# INFINITY FINANCE LIMITED

	Year Ended 31.03.2014 Rs.	Year Ended 31.03.2013 Rs.
<b><u>Note 2.11: REVENUE FROM OPERATIONS</u></b>		
Interest on Loans	5,743,340	6,719,589
	<b>5,743,340</b>	<b>6,719,589</b>
<b><u>Note 2.12: FINANCE COSTS</u></b>		
Interest Expenses	1,516,274	3,505,096
	<b>1,516,274</b>	<b>3,505,096</b>
<b><u>Note 2.13: OTHER EXPENSES</u></b>		
Audit Fees	33,708	34,223
Brokerage & Commission	120,602	41,559
Rates & Taxes	24,140	20,624
Professional Fees	454,865	3,288
Miscellaneous Expenses	5,781	10,166
	<b>639,096</b>	<b>109,860</b>

# INFINITY FINANCE LIMITED

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## **Note 2.14: Employee Benefits**

Since the Company is not having any employee the disclosure requirements of Accounting Standard– 15 on Employees Benefits is not applicable.

## **Note 2.15: Segment Reporting**

No separate reportable segmental disclosure is given as per the requirement of Accounting Standard– 17 on Segment Reporting as the Company operates in a single business segment.

## **Note 2.16: Related Parties Disclosures**

### A. Relations

- (i) Share Holder : Infinity Infotech Parks Ltd.  
(Holding 100% equity in the Company)
- (ii) Other / Associates : Infinity BNKe Infocity Pvt. Ltd.  
: Infinity Townships Pvt. Ltd.  
: Infinity Jaipur Knowledge City Pvt. Ltd  
: Infinity Knowledge City Pvt. Ltd.  
: Infinity Griha Nirmaan Pvt. Ltd.  
: Infinity Villa Pvt. Ltd.  
: Brainspace Management & Skill Education Ltd.  
(w.e.f.30.08.2013)  
: Infinity Infrastructure Ltd.  
: Capstone Developer Pvt. Ltd.  
: Infinity Odysa Home Pvt. Ltd.  
: Learning Revolution Pvt. Ltd.  
: Videocon Infinity Infrastructure Pvt. Ltd.  
: Inthink Engineering Services Pvt. Ltd.  
(Formerly Known as Infinity Knowledge Ventures Pvt. Ltd.)  
: Raigarh Properties Pvt. Ltd.
- (iii) Key Management Personnel : Mr. Piyush Kedia

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.



# INFINITY FINANCE LIMITED

B. Transactions carried out with related parties referred in A above, in ordinary course of business:

<b>Related Party</b>	<b>Nature Of Transaction</b>	<b>Transaction During The Year (Rs.)</b>	<b>Balance As on 31-03-2014 (Rs.)</b>
Infinity Infotech Parks Ltd.	Advance - Received	65,100,000	375,200,000
		(146,500,000)	(359,600,000)
	- Given	49,500,000	-
		(52,500,000)	(-)
Infinity Odysa Home Pvt. Ltd.	Advance – Given	-	-
		(585,000)	(285,000)
	- Received	285,000	-
		(42,500,000)	(-)
Inthink Engineering Services Pvt. Ltd. (Formerly Known as Infinity Knowledge Ventures Pvt. Ltd.)	Advance – Given	-	48,370,000
		(54,975,000)	(52,475,000)
	- Received	4,105,000	-
		(3,958,458)	(-)
Learning Revolution Pvt. Ltd.	Advance – Given	-	8,644,946
		(2,144,946)	(8,644,946)
Raigarh Properties Pvt. Ltd.	Advance – Given	4,750,000	42,800,000
		(48,050,000)	(48,050,000)
	- Received	10,000,000	-
		(-)	(-)
Videocon Infinity Infrastructure Pvt. Ltd.	Advance – Given	4,46,000	9,641,000
		(1,835,000)	(9,195,000)

Note: Figures in bracket represent previous year's amounts.

## **Note 2.17: Earning Per Share**

<b>Earnings Per Share (EPS)</b>	<b>2013-14</b>	<b>2012-13</b>
Profit After Tax considered for calculating EPS	Rs. 2,086,169/-	Rs. 2,209,502/
Weighted average number of ordinary shares of Rs.10/- each	850,000	850,000
Earnings Per Share (Basic and Diluted)	Rs. 2.45	Rs. 2.60

# INFINITY FINANCE LIMITED

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## **Note 2.18: Accounting For Taxes on Income**

Deferred Tax Asset has not been recognized as required under Accounting Standard- 22 due to prudence.

## **Note 2.19: Impairment of Assets**

Since the Company does not have any Fixed Assets, no disclosure and recognition in this regard has been made as per Accounting Standard– 28.

## **Note 2.20: Other Disclosures**

- i. As required in terms of Paragraph 13 of Non Banking Financial Companies Prudential Norms (Reserve Bank) directions, 2007, Notes to the Balance Sheet as per annexure.
- ii. The Reserve Bank of India (RBI) vide its Notification No. DNBS.223/CGM (US) – 2011 dated 17<sup>th</sup> January, 2011 has issued directions to all NBFCs to make provision of 0.25% against standard assets with immediate effect. Accordingly the Company has so far made adequate Provision of Rs.797,330/- against Standard Assets as on 31.03.2014. In view of the same the Company has made provision of Rs.NIL (Previous Year Rs.344,264/-) during the year against standard assets which has been charged to Statement of Profit & Loss.
- iii. Based upon information available with the Company, there is no balance due to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. There is no interest liability either paid or payable under the terms of the said Act.
- iv. Figures for the previous year have been regrouped and / or rearranged, wherever necessary.

As per our report of this date attached.

**For R KOTHARI & COMPANY**  
**Chartered Accountants**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTOR**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**S KALBALIA**  
Director

Sd/-  
**P KEDIA**  
Director

Place: Kolkata

Dated: the 02<sup>nd</sup> day of September, 2014

# INFINITY FINANCE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31.03.2014 Rs.	Year ended 31.03.2013 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	3,054,628	2,760,369
Adjustment for :		
Provision For Bad & Doubtful Assets	533,342	344,264
<b>Operating Profit before Working Capital Changes</b>	<b>3,587,970</b>	<b>3,104,633</b>
Adjustment for :		
Loans and Advances	5,533,445	(82,705,883)
Trade/Other Payable	2,645,976	107,017,803
<b>Cash Generated from Operating Activities</b>	<b>11,767,391</b>	<b>27,416,553</b>
Direct Taxes	(574,484)	-
<b>Net Cash from Operating Activities</b>	<b>11,192,907</b>	<b>27,416,553</b>
<b>B. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase in Borrowings	(11,000,000)	(27,500,000)
<b>Net Cash used in Investing Activities</b>	<b>(11,000,000)</b>	<b>(27,500,000)</b>
<b>INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>87,907</b>	<b>(83,447)</b>
Cash and Cash Equivalents at the Beginning	66,134	149,581
<b>Cash and Cash Equivalents at the Close</b>	<b>154,041</b>	<b>66,134</b>

This is the cash flow statement referred to in our report on even date

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**S KALBALIA**  
Director

Sd/-  
**P KEDIA**  
Director

Place : Kolkata

Dated : the 02nd day of September, 2014

**Note to the Balance Sheet as at 31-3-2014 of INFINITY FINANCE LIMITED, a non-deposit taking non-banking financial company**

(As required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

(Rs.)

<b>Particulars</b>			
<b><u>Liabilities Side:</u></b>			
<b>(1)</b>	<b>Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not <u>paid</u>:</b>	Amount out-standing	Amount overdue
	(a) Debentures : Secured	-	-
	: Unsecured	-	-
	(Other than falling within the meaning of public deposits)		
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter – Corporate Loans & Borrowing	6,500,000	-
	(e) Commercial Paper	-	-
	(f) Other Loans (Specify Nature)		
	(i) Advance from Holding Company	375,200,000	-
	(ii) Advance From body Corporate	-	-
<b><u>Assets Side:</u></b>			
		Amount Outstanding	
<b>(2)</b>	<b>Break up of Loans and Advances including Bills Receivables (Other than those included in (4) below:</b>		
	(a) Secured	-	
	(b) Unsecured	257,339,252	



	<u>Long Term Investments :</u>			
	1. <u>Quoted :</u>			
	(i) Shares :	(a) Equity	-	
		(b) Preference	-	
	(ii) Debentures & Bonds		-	
	(iii) Units of Mutual funds		-	
	(iv) Government Securities		-	
	(v) Others (Please specify)		-	
	2. <u>Unquoted :</u>			
	(i) Shares :	(a) Equity	115,842,188	
		(b) Preference	33,050,000	
	(ii) Debentures & bonds		-	
	(iii) Units of Mutual Funds		-	
	(iv) Government Securities		-	
	(v) Others (Please specify)		-	
			148,892,188	
<b>(5)</b>	<b>Borrower group –wise classification of assets financed as in (2) and (3) above :</b>			
	Category			
		Secured	Unsecured	Total
	1. Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same Group	-	-	-
	(c) Other related parties	-	109,455,946	109,455,946
	2. Other than related parties	-	147,778,306	147,778,306
	<b>Total</b>	-	257,234,252	257,234,252

<b>(6)</b>	<b>Investor group – wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :</b>		
	Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
	1. Related Parties	-	-
	(a) Subsidiaries	-	-
	(b) Companies in the same Group	-	-
	(c) Other related parties	-	121,787,188
	2. Other than related parties	-	27,000,000
	<b>Total</b>	-	148,787,188
<b>(7)</b>	<b>Other information</b>		
	Particulars	Amount	
<b>(i)</b>	Gross Non – Performing Assets		
	(a) Related Parties	-	
	(b) Other than Related Parties	-	
<b>(ii)</b>	Net Non – Performing Assets		
	(a) Related Parties	-	
	(b) Other than Related Parties	-	
<b>(iii)</b>	Assets acquired in satisfaction of debt	-	

# 8<sup>th</sup> ANNUAL REPORT 2013 - 2014

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## DIRECTORS

Mr. G S Bajoria

Mr. R K Poddar

Mr. P Kedia

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## AUDITORS

**R Kothari & Company**  
Chartered Accountants  
16A, Shakespeare Sarani  
Kolkata 700071

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Cash Flow Statement

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# INFINITY BNKe INFOCITY PRIVATE LIMITED

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## **DIRECTORS' REPORT TO THE MEMBERS**

Your Directors have pleasure in presenting the 8<sup>th</sup> Annual Report together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2014.

### **FINANCIAL RESULTS**

The salient features of the Financial Results of the Company for the year under review is as follows:

	<b>Year Ended 31.03.2014 (Amount in Rs.)</b>	<b>Year Ended 31.03.2013 (Amount in Rs.)</b>
<b>Profit Before Tax</b>	<b>(24,883,456)</b>	<b>(7,297,530)</b>
<b><u>Tax Expenses</u></b>		
Current Tax	-	-
Deferred Tax	-	-
<b>Profit After Tax</b>	<b>(24,883,456)</b>	<b>(7,297,530)</b>
Balance Brought Forward from Previous Year	<b>(7,297,530)</b>	-
<b>Balance to be Carried Forward</b>	<b>(32,180,986)</b>	<b>(7,297,530)</b>

### **DIVIDEND**

In view of loss incurred during the year under review, your Directors do not recommend any dividend for the year 31<sup>st</sup> March 2014.

### **PROJECT & GENERAL REVIEW**

Your Directors have pleasure in informing you that during the year under review, the Company has got the completion certificate of its commercial project "IT Lagoon" and the said project is now operational. The Company has applied for Platinum rating under the Green building certification from Indian Green Building Council and is awaiting for the necessary approval. You're Directors further like to inform that the Company has received compensation from M/s. India Power Corporation Ltd. (formerly DPSC Ltd.) in respect of the termination of development agreement executed for development of IT Park as per the Arbitration Award received in this regard.

# INFINITY BNKe INFOCITY PRIVATE LIMITED

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## **AWARDS & RECOGNITIONS**

During the year under review, Infinity IT Lagoon has been awarded as 'Best Commercial Project' by Crisil Credai Realty Award 2014.

## **THE COMPANIES ACT, 2013**

The Ministry of Corporate Affairs (MCA) has notified 282 sections of the Companies Act, 2013 in tranches in September, 2013 and March 2014 with majority of the Sections as well as the rules being notified in March 2014 and made effective from April 1, 2014. The Companies Act, 1956 continues to be in force to the extent of the corresponding provisions of the new Act which are yet to be notified. MCA vide its circular dated April 4, 2014 has clarified that the Financial statements and documents annexed thereto, auditor's report and board's report in respect of the Financial year that has commenced earlier than April 1, 2014 shall be governed by the provisions of the Companies Act, 1956 and accordingly, the Financial statements and documents annexed thereto, auditor's report and board's report and the attachments thereto have been prepared in accordance with the provisions of the Companies Act, 1956. With respect to the other provisions of the Act, appropriate references have been made in this report to the extent these provisions have become applicable effective April 1, 2014.

## **DIRECTORS**

During the year under review, Mr. Piyush Bajoria resigned as a Director of the Company with effect from 09<sup>th</sup> December, 2013. The Board place on record its high appreciation and gratitude for the valuable services rendered by him during his tenure as Director of the Company.

Mr. Ramesh Kumar Poddar was appointed as an Additional Director of the Company with effect from 09<sup>th</sup> December, 2013 in terms of Section 161 of the Companies Act, 2013 and holds office only upto the date of ensuing Annual General Meeting.

Your Company is in the process of reconstituting the Board and forming committees of Board as prescribed under Companies Act, 2013. Accordingly, pursuant to the provisions of Section 149, 152, Schedule IV of the Companies Act, 2013 ('Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014, the Board of Directors of your Company is seeking appointment of Mr. Bal Kishan Khaitan and Mr. Yashwant Goenka as Independent Directors of the Company for a term upto March 31, 2019, subject to approval of the members in the ensuing Annual General Meeting. Independent directors is no longer liable to retire by rotation. Mr. Bal Kishan Khaitan and Mr. Yashwant Goenka, have given declaration to the Board of Directors to the effect that they meet the criteria of independence

## INFINITY BNKe INFOCITY PRIVATE LIMITED

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as provided in Section 149(6) of the Companies Act, 2013. In the opinion of the Board Mr. Bal Kishan Khaitan and Mr. Yashwant Goenka fulfil the conditions specified in Sections 149, 152 and Schedule IV of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014.

The Company has received notices in writing from a member alongwith deposit(s) of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidatures of Mr. Ramesh Kumar Poddar, Mr. Bal Kishan Khaitan and Mr. Yashwant Goenka, for the office of the Directors of the Company.

Mr. Gouri Shankar Bajoria, retires by rotation at the ensuing Annual General Meeting and, being eligible offer himself for re-appointment pursuant to Section 152 of the Companies Act, 2013 and Articles of Association of the Company.

The Board of Directors of your Company recommends the appointment(s)/re-appointment(s) of the above Directors at the ensuing Annual General Meeting.

### **SUBSIDIARY COMPANIES**

During the year under review your Company has five Wholly Owned Subsidiary Companies as follows:

- Infinity Ashiana Private Limited
- Infinity Knowledge City Projects Private Limited
- Infinity Residences Private Limited
- Magnitude Infrastructure Private Limited
- Snowwhite Infrastructure Private Limited

As required under Section 212 of the Companies Act, 1956, the audited statements of accounts, along with the report of the Board of Directors relating to the Company's subsidiaries and the Auditor's Report thereon for the year ended 31<sup>st</sup> March, 2014 are annexed.

### **DEPOSITS**

Your Company has not accepted any deposits under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance with Section 217(2AA) of the Companies Act, 1956 the Directors, to the best of their knowledge and belief confirm:

## INFINITY BNKe INFOCITY PRIVATE LIMITED

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1. That for the preparation of the Accounts for the year ended 31<sup>st</sup> March, 2014 the applicable accounting standards have been followed along with a proper explanation relating to material departures.
2. That the Directors have selected such accounting policies as mentioned in Note No. 1 of the Annual Accounts and applied them consistently and made such judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31<sup>st</sup> March, 2014.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2014 on a "going concern basis."

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

The statement of particulars pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is annexed hereto and forms part of the report.

### **PARTICULARS OF EMPLOYEES**

The Company has no employee during the year and as such particulars of employees required to be disclosed in terms of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, are not applicable to the Company.

### **AUDITORS' REPORT**

The Notes on Accounts referred to by the Auditors in their Report are self-explanatory and require no further explanation.

### **AUDITORS**

M/s. R Kothari & Company, Chartered Accountants, (Firm Registration No. 307069E) the Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

As required under the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the Company has obtained written consent from the Auditors to such re-appointment and also a certificate to the effect that their re-

# INFINITY BNKe INFOCITY PRIVATE LIMITED

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appointment, if made, would be in conformity within the limits specified in the said Section and that they are not disqualified for re-appointment pursuant to Section 141 of the Companies Act, 2013. Your Directors recommended their re-appointment as the Statutory Auditors for the Financial Year 2014-15 at the ensuing Annual General Meeting.

## **ACKNOWLEDGEMENT**

Your Directors place on record their sincere appreciation for the valuable contributions and continued co-operations received by the Company from its bankers, other associates of the Company and Statutory Authorities.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**G S BAJORIA**

**Director**

**P KEDIA**

**Director**

**Place: Kolkata**

**Dated: The 02<sup>nd</sup> day of September, 2014**

# INFINITY BNKe INFOCITY PRIVATE LIMITED

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## **DISCLOSURE OF THE PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER COMPANIES (DISCLOSURE OF PARTICULARS IN REPORT OF THE BOARD OF DIRECTORS) RULES, 1988**

### **A) CONSERVATION OF ENERGY:**

Your Company is into real estate business and is not included in the list of industries under Schedule to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988. Therefore, Form A and the disclosures contained therein are not applicable to the Company.

Nonetheless, your Company has been taking the following Energy Conservation and Technology Absorption measures in respect of its project "IT Lagoon":

- Use of Energy Efficient and Eco-friendly equipment, Use of CFL & LED lights in most areas.
- Use of VFDs in AHUs, Pumps and Cooling Towers.
- Reduced overall conductance of the building envelopes using Insulation.
- High Performance Glass with optimum visual light transmittance.
- Efficient Chiller than the conventional one, Variable flow Secondary Chilled water system and Treated Fresh Air unit.
- Integrated BMS (Building Management System).
- The landscaping and irrigation systems have been designed to reduce irrigation water consumption.
- Use of Low water consuming plants (species), re-use of rain-water and efficient use of water by use of low flow urinals, low flow lavatories, low flow showers, low flow kitchen and janitor sink and health faucet in order to minimize misuse of water.
- Use of recycled, Non - Toxic and Environmental friendly Building materials.
- On-site Sewage Treatment Plant- STP Plant in order to treat and 100% re-use the grey water generated at site.
- Use of High efficiency transformers, DG sets and other equipments.
- Use of separate energy meters for major common area loads so that power consumption can be monitored and efforts can be made to minimize the same.

The Company as a matter of policy has a regular and ongoing programme for investments in energy saving devices, wherever possible, however the impact of the measures taken can not be quantified as the benefit thereof accrues to the clients occupying space at "IT Lagoon".

### **B) TECHNOLOGY ABSORPTION:**

<b>From B: Disclosure of particulars with respect to absorption</b>	
<b>Research &amp; Development (R &amp; D)-</b>	
Specific areas in which R & D carried out by the company	The Company has not undertaken any activity relating to research and development during the

# INFINITY BNKe INFOCITY PRIVATE LIMITED

Benefits derived as a result of the above R&D		year under review.	
Future plan of action			
Sr. No.	Expenditure on R & D	2013-14 (Rs.)	2012-13 (Rs.)
1	Capital Expenditure	NIL	NIL
2.	Recurring Expenditure	NIL	NIL
	Total	NIL	NIL
	Total R & D expenditure as a percentage of total turnover	N.A.	N.A.
<b><i>Technology absorption, adaptation and innovation</i></b>			
Efforts, in brief, made towards technology absorption, adaptation and innovation		Not Applicable	
Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc		Not Applicable	
In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished: (a) Technology imported. (b) Year of import. (c) Has technology been fully absorbed? (d) If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action		Not Applicable	
<b>C) FOREIGN EXCHANGE EARNINGS AND OUTGO:</b>			
activities relating to exports; initiatives taken to increase exports ; development of new export markets for products and services ; and export plans		The operations of the Company are confined within the territory of India.	
<b>Total foreign exchange used and earned</b>		<b>FY 2013-14</b>	<b>FY 2012-13</b>
Foreign Exchange earnings		NIL	NIL
Foreign Exchange outgo		NIL	NIL

# INFINITY BNKe INFOCITY PRIVATE LIMITED

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956,  
RELATING TO COMPANY'S INTEREST IN SUBSIDIARY COMPANIES FOR THE FINANCIAL YEAR 2013-14**

1.	Name of the Subsidiary Company	Infinity Ashiana Private Limited	Infinity Knowledge City Projects Private Limited	Infinity Residences Private Limited	Magnitude infrastructure Private Limited	Snowwhite Infrastructure Private Limited
2.	<b>The Financial year of the Subsidiary Companies ended on</b>	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014
3.	<b>Date from which they became Subsidiary Companies</b>	30.03.2012	30.03.2012	30.03.2012	30.03.2012	30.03.2012
4.	<b>Extent of interest of Holding Company at the end of the financial year of the Subsidiary Companies:</b> a) Number of Shares held b) Percentage of Holding	49,000 Equity shares of Rs.10/- each  100%	95,000 Equity shares of Rs.10/- each  100%	45,500 Equity shares of Rs.10/- each  100%	842,952 Equity shares of Rs.10/- each  100%	1,000,000 Equity shares of Rs.10/- each  100%
5.	<b>The net aggregate amount of Subsidiary Companies Profit/(Loss) so far as it concerns the members of the Holding Company</b> a) <b>Not dealt with in the Holding Company's accounts:</b> i) For the current financial year ii) For the previous financial years of the Subsidiary Companies since they become the Holding Company's subsidiaries b) <b>Dealt with in the Holding Company's accounts:</b> i) For the current financial year ii) For the previous financial years of the Subsidiary Companies since they become the Holding Company's subsidiaries	Rs. Nil  Rs. Nil  Rs. Nil  Rs. Nil	Rs. Nil  Rs. Nil  Rs. Nil  Rs. Nil	Rs. Nil  Rs. Nil  Rs. Nil  Rs. Nil	Rs. Nil  Rs. Nil  Rs. Nil  Rs. Nil	Rs. Nil  Rs. Nil  Rs. Nil  Rs. Nil

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**G S BAJORIA**  
Director

Sd/-  
**P KEDIA**  
Director

Place: Kolkata

Date: The 02<sup>nd</sup> day of September, 2014



*R. Kothari & Company*  
**CHARTERED ACCOUNTANTS**  
*16A Shakespeare Sarani, Kolkata – 700071*

## **INDEPENDENT AUDITORS' REPORT**

**To**  
**The Members of**  
**INFINITY BNKe INFOCITY PRIVATE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of INFINITY BNKe INFOCITY PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, 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 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 13th 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.

### **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 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 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.

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, 2014;
- (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.

### **Report on Other Legal & 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 Sub-Section (3) of Section 227 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 account as required by law have been kept by the Company so far as 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 and Statement of Profit and Loss 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 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
- e. On the basis of written representations received from the directors as on March 31, 2014, 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**  
**(Firm Registration No.307069E)**

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**  
**(Membership No.057620)**

**Place : Kolkata**

**Dated : the 02<sup>nd</sup> day of September, 2014**

## **ANNEXURE TO INDEPENDENT AUDITORS REPORT**

### **Referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirement” of our report of even date**

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:-

- i.(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management during the year and in our opinion, the frequency of such verification is reasonable. No material discrepancies were noticed on such verification;
- (c) There was no disposal of fixed assets during the year;
- ii.(a) The management has conducted physical verification of inventory at reasonable intervals during the year;
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to size of the Company and the nature of its business;
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification;
- iii.(a) According to the information and explanation given to us, the Company during the year 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;
- (b) According to the information and explanation given to us, the Company has not taken any loan, secured or unsecured from Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956;
- iv. In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the company and the nature of its business. During the course of our audit, no major persistent weakness has been noticed in the internal control;

- v.(a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered;
- (b) In our opinion and according to the information, explanations and representation given to us, no transactions have been made during the year in pursuance of contracts or arrangements entered in the registers maintained under Section 301 and exceeding the value of five lakh rupees in respect of any party;
- vi.The Company has, during the year, not accepted any deposit from the public;
- vii.The paid up capital and reserves of the Company does not exceeding Rs.50 lakhs at the commencement of the financial year and as such this clause is not applicable to the Company;
- viii.According to the information and explanations given by the Management and to the best of our knowledge, maintenance of Cost Records as prescribed by Central Government under section 209(1)(d) of the Companies Act, 1956 are not applicable to the Company;
- ix.(a) According to the records of the Company, it has generally been regular in depositing undisputed statutory dues including service tax, income tax and other statutory dues as applicable to it and no undisputed statutory dues were outstanding as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they became payable;
- (b) There is no disputed dues on account of service tax, income tax and other statutory dues not paid by the Company;
- x.The Company has accumulated losses at the end of the financial year. The Company incurred cash losses during the financial year;
- xi.On the basis of the records examined by us and the information and explanations given by the Management, the Company has not defaulted in repayment of dues of financial institutions or banks;
- xii.As explained to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities;
- xiii.In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provision of this clause is not applicable to the Company;
- xiv.In our opinion, the Company has maintained proper records of transactions and contracts relating to dealing or trading in shares, securities, debentures and other investments during

the year and timely entries have been made therein. Further, such securities have been held by the Company in its own name except exemption provided u/s. 49 of the Companies Act, 1956;

xv. According to the information and explanations given to us and the representation made by the management, the Company has not given any guarantee for loans taken by others from banks or financial institutions;

xvi. On the basis of the records examined by us, we have to state that, the Company has, prima facie, applied the term loans for the purposes for which they were obtained;

xvii. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we are of the opinion that, prima facie no funds raised on short term basis have been used for long-term purposes;

xviii. We report that the Company, during the year, 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. According to the information and explanations given to us, the Company has not issued any debentures;

xx. The Company has not raised any money by public issue during the year under report;

xxi. According to the information and explanations given by the Management, and to the best of our knowledge and belief, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

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

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**  
**(Membership No.057620)**

**Place : Kolkata**

**Dated : the 02<sup>nd</sup> day of September, 2014**

# INFINITY BNKe INFOCITY PRIVATE LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at 31.03.2014 Rs.		As at 31.03.2013 Rs.	
<b><u>EQUITY AND LIABILITIES</u></b>					
<b>I. SHAREHOLDERS' FUNDS</b>					
Share Capital	2.01	100,000		100,000	
Reserves & Surplus	2.02	(32,180,986)		(7,297,530)	
			(32,080,986)		(7,197,530)
<b>II. NON CURRENT LIABILITIES</b>					
Long Term Borrowings	2.03	618,870,575		629,889,376	
Other Long Term Liabilities	2.04	21,420,664		1,286,629	
			640,291,239		631,176,005
<b>III. CURRENT LIABILITIES</b>					
Short Term Borrowings	2.05	46,000,000		158,000,000	
Trade Payables		65,521,796		94,645,418	
Other Current Liabilities	2.06	1,003,875,323		776,129,007	
			1,115,397,119		1,028,774,425
			<b>1,723,607,372</b>		<b>1,652,752,900</b>
<b>ASSETS</b>					
<b>I. NON CURRENT ASSETS</b>					
Fixed Assets	2.07				
Tangible Assets		963,653,757		1,027,976,702	
Non Current Investments	2.08	288,155,200		288,155,200	
Long Term Loans & Advances	2.09	6,685,467		8,495,200	
Other Non Current Assets	2.10	18,000		27,000	
			1,258,512,424		1,324,654,102
<b>II. CURRENT ASSETS</b>					
Inventories	2.11	184,686,900		184,686,900	
Trade Receivables	2.12	10,965,983		189,324	
Cash & Cash Equivalents	2.13	2,871,185		80,149	
Short Term Loans & Advances	2.14	265,847,957		143,128,863	
Other Current Assets	2.15	722,923		13,562	
			465,094,948		328,098,798
			<b>1,723,607,372</b>		<b>1,652,752,900</b>

The Accompanying Notes are an Integral Part of the Financial Statements 1 & 2

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**G S BAJORIA**  
Director

Sd/-  
**P KEDIA**  
Director

Place : Kolkata  
Dated : the 02nd day of September, 2014

# INFINITY BNKe INFOCITY PRIVATE LIMITED

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Note No.	Year Ended 31.03.2014 Rs.	Year Ended 31.03.2013 Rs.
I. Revenue from Operations	2.16	29,205,289	168,165
II. Other Income	2.17	6,196,429	5,841,561
<b>III. Total Revenue</b>		<b>35,401,718</b>	<b>6,009,726</b>
<b>IV. EXPENSES</b>			
Purchase of Stock in Trade		-	10,000,000
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	2.18	-	(10,000,000)
Finance Costs	2.19	104,920,967	9,489,566
Depreciation and Amortization Expense		24,953,572	2,168,795
Other Expenses	2.20	25,257,413	1,648,895
<b>Total Expenses</b>		<b>155,131,952</b>	<b>13,307,256</b>
<b>V. Profit / (Loss) Before Exceptional Items and Tax</b>		<b>(119,730,234)</b>	<b>(7,297,530)</b>
VI. Exceptional Items Compensation For Termination Of Project	2.29(ii)	94,846,778	-
<b>VII. Profit / (Loss) Before Tax</b>		<b>(24,883,456)</b>	<b>(7,297,530)</b>
<b>VIII. Tax Expense:</b>			
Current Tax		-	-
Deferred Tax		-	-
<b>IX. Profit/(Loss) for the Period</b>		<b>(24,883,456)</b>	<b>(7,297,530)</b>
<b>X. Earning per Equity Share:</b>			
Basic		(2,488.35)	(729.75)
Diluted		(2,488.35)	(729.75)

The Accompanying Notes are an Integral Part of the Financial Statements

1 & 2

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**G S BAJORIA**  
Director

Sd/  
**P KEDIA**  
Director

Place : Kolkata  
Dated : the 02nd day of September, 2014



## **Note 1: Significant Accounting Policies**

### **A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

- a) The Financial statements have been prepared under historical cost accounting, in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956.
- b) The Books of Accounts are maintained on accrual concept, unless stated otherwise.
- c) Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

### **B. REVENUE RECOGNITION**

Long term Lease Premium Gain is recognized upon transfer of all significant risks & rewards of ownership to the buyers and when it is reasonably certain that the ultimate collection will be made and no significant uncertainty exists regarding the amount of consideration.

Income from lease rentals / maintenance charges is recognized on accrual basis in accordance with the terms of agreement.

Interest income is recognised on accrual basis by the amount outstanding and rate applicable.

Dividend Income is recognised when right to receive is established.

### **C. FIXED ASSETS**

Fixed Assets have been stated at cost less accumulated depreciation. Interest on borrowings for acquisition and / or construction of fixed assets and revenue expenses incurred at Project sites are capitalized as part of asset cost in so far as such interest and expenses relates to the period prior to the completion of the Project.

### **D. DEPRECIATION**

Depreciation has been provided on prorata basis on Straight Line Method as per the rates prescribed under Schedule XIV of the Companies Act, 1956.

### **E. INVESTMENTS**

Long Term Investments are stated at cost. Provision for diminution is made when such diminution is considered other than temporary in nature.

### **F. INVENTORIES**

Stocks in Shares are valued at cost or market value/fair value which ever is lower.

### **G. BORROWING COST**

Borrowing cost attributable to the construction of qualifying assets as defined in Accounting Standard- 16 on Borrowing Cost, are capitalized as part of the cost of construction. Other borrowing cost is expensed as incurred.

## **H. FOREIGN CURRENCY TRANSACTIONS**

Transactions denominated in foreign currency are recorded at the exchange rates prevailing on the date of the transactions.

Monetary and Non Monetary assets and liabilities denominated in foreign currency are translated at the exchange rates prevailing on the balance sheet date and resultant gain/loss are capitalized as part of the cost of construction till the completion of the project.

## **I. MISCELLANEOUS EXPENDITURE**

Preliminary Expenses are being proportionately written off over a period of 5 years.

## **J. TAXATION**

- a) Provision for Income Tax has been made in accordance with the provisions of the Income Tax Act, 1961.
- b) Deferred Tax resulting from timing difference between book profits and taxable profits are accounted for to the extent deferred tax liabilities are expected to crystallize with reasonable certainty. However, in case of deferred tax assets (representing unabsorbed depreciation or carried forward losses) they are recognised, only if there is virtual certainty that there would be adequate future taxable income against which such deferred tax assets can be realized. At each balance sheet date, recognised & unrecognized deferred tax assets are reviewed.

## **K. PROVISIONS AND CONTINGENT LIABILITIES**

A Provision is recognized when there is present obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are disclosed after an evaluation of the facts and legal aspects of the matters involved.

## **L. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumption that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

# INFINITY BNKe INFOCITY PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.01: SHARE CAPITAL</u></b>		
<b>Authorised</b> 100,000 (Previous Year 100,000) Equity Shares of Rs.10/- each.	1,000,000	1,000,000
<b>Issued, Subscribed &amp; Paid Up</b> 10,000 (Previous Year 10,000) Equity Shares of Rs.10/- each fully paid up.	100,000	100,000
	<b>100,000</b>	<b>100,000</b>
<b>Reconciliation of Share Capital (In Numbers)</b> Shares Outstanding at the Beginning of the Year	10,000	10,000
Shares Outstanding at the Closing of the Year	10,000	10,000
<b>Reconciliation of Share Capital</b> Shares Outstanding at the Beginning of the Year	100,000	100,000
Shares Outstanding at the Closing of the Year	100,000	100,000
<b>Terms/Rights Attached to Shares</b> The Company has only one class of Equity Shares having a Par Value of Rs.10/- per Share. Each Shareholder is eligible for one vote per Share. The Dividend proposed by the Board of Directors is subject to the approval of shareholders. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.		
<b>Equity Shares in Company held by Holding Company</b> Infinity Infotech Parks Limited & its Nominees	10,000	10,000
<b>List of Shareholders Holding more than 5% Shares (In Numbers)</b> Infinity Infotech Parks Limited & its Nominees	10,000	10,000
<b><u>Note 2.02: RESERVES &amp; SURPLUS</u></b>		
<b>Surplus in Statement of Profit &amp; Loss</b> Opening Balance	(7,297,530)	-
Add : Profit/(Loss) for the Year	(24,883,456)	(7,297,530)
Less : Appropriations	-	-
Closing Balance	<b>(32,180,986)</b>	<b>(7,297,530)</b>
<b><u>Note 2.03: LONG TERM BORROWINGS</u></b>		
<b>Secured</b> Term Loan From Allahabad Bank	618,870,575	629,889,376
[Secured by exclusive charge on all movable assets both present & future and mortgage of diverse office space admeasuring about 2,74,214 sq.ft. (previous year 3,42,768 sq.ft.)along with proportionate car parking space of IT lagoon situated at Plot No. E-2-2/1, Block-EP & GP, Sector-V, Saltlake, Kolkata-700 091]. [ Personal guarantee of Mr. G S Bajoria & Mr. P Kedia,directors of the company, Personal guarantee of Mr.Ravindra Chamaria & Mr. Pulak Chamaria, CMD & ED of Infinity Infotech Parks Ltd. & Corporate guarantee of Infinity Infotech Parks Ltd. & Gopi Vallabh Solutions Pvt Ltd.(Formerly BNKe Solutions Pvt Ltd.) to the extent of the value of Land ]. [ The Interest Rate is Base Rate + 4% ]. [ Amount Due within 12 months Rs.31,200,000/- (Previous Year Rs.22,800,000) is shown under Current Maturities of Long Term Debt (Refer Note No. 2.06) ].		
	<b>618,870,575</b>	<b>629,889,376</b>

# INFINITY BNKe INFOCITY PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.04: OTHER LONG TERM LIABILITIES</u></b>		
Security Deposits	21,311,425	1,286,629
Sinking Fund	109,239	-
	<b>21,420,664</b>	<b>1,286,629</b>
<b><u>Note 2.05: SHORT TERM BORROWINGS</u></b>		
<b>Unsecured</b>		
Loans from Bodies Corporate	46,000,000	158,000,000
	<b>46,000,000</b>	<b>158,000,000</b>
<b><u>Note 2.06: OTHER CURRENT LIABILITIES</u></b>		
Current Maturities of Long Term Debt [ Refer Note No. 2.03 ]	31,200,000	22,800,000
Advance from Related Party [ Refer Note No. 2.25 ]	737,270,000	531,525,085
Advance from Customers	204,241,289	208,391,293
Other Payables	71,276	3,711,920
Expenses Payable	6,479,038	715,023
Interest Accrued and Due	23,705,884	7,890,478
Interest Accrued but not Due	-	146,466
Statutory Liabilities	907,836	948,742
	<b>1,003,875,323</b>	<b>776,129,007</b>

# INFINITY BNK<sub>e</sub> INFOCITY PRIVATE LIMITED

## Note 2.07: FIXED ASSETS

DESCRIPTION OF ASSETS	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK
	As at 01/04/2013	Additions	Deductions / Adjustments	As at 31/03/2014	Upto 31/03/2013	Additions	Adjustments	Upto 31/03/2014	As at 31/03/2014
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b><u>Tangible</u></b>									
Building	757,194,576	-	29,468,550	727,726,026	1,048,248	12,165,986	344,849	12,869,385	714,856,641
	(-)	(757,194,576)	(-)	(757,194,576)	(-)	(1,048,248)	(-)	(1,048,248)	(756,146,328)
Plant & Machinery	272,740,685	-	10,607,400	262,133,285	1,105,608	12,770,643	361,728	13,514,523	248,618,762
	(97,900)	(272,642,785)	(-)	(272,740,685)	(1,050)	(1,104,558)	(-)	(1,105,608)	(271,635,077)
Furniture, Fixtures & Equipments	214,893	-	-	214,893	19,596	16,943	-	36,539	178,354
	(142,480)	(72,413)	(-)	(214,893)	(3,607)	(15,989)	(-)	(19,596)	(195,297)
<b>Total</b>	<b>1,030,150,154</b>	<b>-</b>	<b>40,075,950</b>	<b>990,074,204</b>	<b>2,173,452</b>	<b>24,953,572</b>	<b>706,577</b>	<b>26,420,447</b>	<b>963,653,757</b>
	<b>(240,380)</b>	<b>(1,029,909,774)</b>	<b>(-)</b>	<b>(1,030,150,154)</b>	<b>(4,657)</b>	<b>(2,168,795)</b>	<b>(-)</b>	<b>(2,173,452)</b>	<b>(1,027,976,702)</b>

Note: Figures in bracket represent previous year's amounts.

# INFINITY BNKe INFOCITY PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.08: NON CURRENT INVESTMENTS</u></b>		
<b>Investment in Equity Instruments - At Cost (Trade, Unquoted, Fully Paid Up)</b>		
<b>In Subsidiary Companies</b>		
Infinity Ashiana Pvt. Ltd. [ 49,000 (Previous Year 49,000) Equity Shares of Rs.10 each ].	9,850,255	9,850,255
Infinity Knowledge City Projects Pvt. Ltd. [ 95,000 (Previous Year 95,000) Equity Shares of Rs.10 each ].	11,403,000	11,403,000
Infinity Residences Pvt. Ltd. [ 45,500 (Previous Year 45,500) Equity Shares of Rs.10 each ].	7,200,255	7,200,255
Magnitude Infrastructure Pvt. Ltd. [ 842,952 (Previous Year 842,952) Equity Shares of Rs.10 each ].	83,445,199	83,445,199
Snowwhite Infrastructure Pvt. Ltd. [ 1,000,000 (Previous Year 1,000,000) Equity Shares of Rs.10 each ].	176,256,491	176,256,491
	<b>288,155,200</b>	<b>288,155,200</b>
<b><u>Note 2.09: LONG TERM LOANS &amp; ADVANCES</u></b>		
Advances (Recoverable in Cash or in kind or for Value to be received)	-	1,682,692
Capital Advances	6,426,717	6,553,758
Security Deposits	258,750	258,750
	<b>6,685,467</b>	<b>8,495,200</b>
<b><u>Note 2.10: OTHER NON CURRENT ASSETS</u></b>		
Preliminary Expenses	18,000	27,000
	<b>18,000</b>	<b>27,000</b>
<b><u>Note 2.11: INVENTORIES</u></b>		
Stock - In - Trade Shares [ Valued at Cost or Market Price whichever is lower ].	184,686,900	184,686,900
	<b>184,686,900</b>	<b>184,686,900</b>
<b><u>Note 2.12: TRADE RECEIVABLE</u></b>		
<b>Unsecured, Considered Good</b>		
Outstanding for a period exceeding Six Months	185,042	-
Others	10,780,941	189,324
	<b>10,965,983</b>	<b>189,324</b>
<b><u>Note 2.13: CASH AND CASH EQUIVALENTS</u></b>		
Cash on Hand	7,080	13,405
Balance with Banks	2,864,105	66,744
	<b>2,871,185</b>	<b>80,149</b>

# INFINITY BNKe INFOCITY PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.14: SHORT TERM LOANS &amp; ADVANCES</u></b>		
<b>Unsecured, Considered Good</b>		
Advance to Related Parties [ Refer Note No. 2.25 ]	199,005,517	12,195,000
Advance against Projects	62,994,821	128,988,719
Advance Income Tax including Tax Deduction at Source	2,954,160	886,372
Service Tax Receivables	819,159	676,074
Security Deposits	74,300	382,698
	<b>265,847,957</b>	<b>143,128,863</b>
<b><u>Note 2.15: OTHER CURRENT ASSETS</u></b>		
Prepaid Expenses	713,923	4,562
Preliminary Expenses	9,000	9,000
	<b>722,923</b>	<b>13,562</b>

# INFINITY BNKe INFOCITY PRIVATE LIMITED

	Year Ended 31.03.2014 Rs.	Year Ended 31.03.2013 Rs.
<b><u>Note 2.16: REVENUE FROM OPERATIONS</u></b>		
<b>Sale Of Services</b>		
Lease Rent Receipts	9,819,028	148,470
Parking Fee Receipts	636,000	-
Maintenace Charges Receipts	6,431,736	19,695
<b>Other Operating Incomes</b>		
Long Term Lease Premium Gain	12,318,525	-
	<b>29,205,289</b>	<b>168,165</b>
<b><u>Note 2.17: OTHER INCOMES</u></b>		
Interest Received	6,196,429	5,841,561
	<b>6,196,429</b>	<b>5,841,561</b>
<b><u>Note 2.18: CHANGES IN INVENTORIES OF STOCK IN TRADE</u></b>		
<b>Shares</b>		
Opening Stock in Trade	184,686,900	174,686,900
Less: Closing Stock in Trade	184,686,900	184,686,900
	-	<b>(10,000,000)</b>
<b><u>Note 2.19: FINANCE COSTS</u></b>		
Interest Expenses	104,191,497	9,489,566
Other Borrowing Costs	729,470	-
	<b>104,920,967</b>	<b>9,489,566</b>
<b><u>Note 2.20: OTHER EXPENSES</u></b>		
Auditor's Remmuneration	51,500	56,180
Brokerage & Commission	6,513,112	296,940
Compensation Charges	4,500,000	-
Electricity, Fuel & Water Consumption Expenses	7,494,343	627,758
Security Service Charges	2,573,050	517,414
Rates & Taxes	86,880	19,000
Miscellaneous Expenses	1,388,986	122,603
Operation & Maintenace Expenses	2,640,542	-
Preliminary Expenses Written Off	9,000	9,000
	<b>25,257,413</b>	<b>1,648,895</b>



# INFINITY BNKe INFOCITY PRIVATE LIMITED

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## **Note 2.21: Contingent Liabilities and Commitments (To the Extent Not Provided For)**

- a) Bank Guarantee given by the Company's Bankers amounting to Rs.408,000/- (Previous Year Rs.15,709,000/-).

## **Note 2.22: Additional Information as Required in Part II of Revised Schedule VI of the Companies Act, 1956**

<b>Auditors' Remuneration</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
	<b>Rs.</b>	<b>Rs.</b>
1) Audit Fees	56,180/-	56,180/-
2) Other Services (Including Service Tax)	1,685/-	44,231/-

## **Note 2.23: Employee Benefits**

Since the Company is not having any employee the disclosure requirements of Accounting Standard– 15 on Employees Benefits is not applicable.

## **Note 2.24: Segment Reporting**

No separate reportable segmental disclosure is given as per the requirement of Accounting Standard– 17 on Segment Reporting as the Company operates in a single business segment.

## **Note 2.25: Related Party Disclosures**

### A. Relations

- (i) Holding Company : Infinity Infotech Parks Ltd.  
(Holding 100% equity in the company)
- (ii) Subsidiary Companies : Infinity Residences Pvt. Ltd.  
: Infinity Ashiana Pvt. Ltd.  
: Infinity Knowledge City Projects Pvt. Ltd.  
: Snowwhite Infrastructure Pvt. Ltd.  
: Magnitude Infrastructure Pvt. Ltd.
- (iii) Other / Associates : Infinity Townships Pvt. Ltd.  
: Infinity Finance Ltd.  
: Infinity Jaipur Knowledge City Pvt. Ltd.  
: Infinity Knowledge City Pvt. Ltd.  
: Infinity Griha Nirmaan Pvt. Ltd.  
: Infinity Villa Pvt. Ltd.  
: Brainspace Management & Skill Education Ltd.  
(w.e.f.30.08.2013)

## INFINITY BNKe INFOCITY PRIVATE LIMITED

- : Infinity Infrastructure Ltd.
- : Aradhana Greenfield Developers Pvt. Ltd.
- : Dewdrop Enclave Pvt. Ltd.
- : Esteem Angan Pvt. Ltd.
- : D H Infratech Pvt. Ltd.
- : Gateway IT Infrastructure Pvt. Ltd.
- : Knowledge Infratech Pvt. Ltd.
- : Sovereign Global Projects Pvt. Ltd.
- : Innovation Management Services Pvt. Ltd.
- : Bhubaneswar IT Park Projects Pvt. Ltd.
- : Profile Infinity Infrastructures Pvt. Ltd.
- : Swarnrekha Abasan Pvt. Ltd.
- (iv) Joint Venturer's : Gopi Vallabh Solutions Pvt. Ltd.  
(Formerly BNKe Solutions Pvt. Ltd.)

(v) Key Management Personnel : Mr. G S Bajoria

Note: Related party relationship is as identified by the Company and relied upon by the Auditors

B. Transactions carried out with related parties referred in A above, in ordinary course of business:

Related Party	Nature Of Transaction	Transaction During The Year (Rs.)	Balance As on 31-03-2014 (Rs.)
Infinity Infotech Parks Ltd.	Advance – Received	344,946,483	737,270,000
	– Given	(498,626,001) 139,201,568 (413,500,916)	(531,525,085)
Infinity Ashiana Pvt. Ltd.	Advance – Received	-	
	– Given	(8,900,000) 4,125,000 (17,800,000)	13,025,000 (8,900,000)
Infinity Knowledge City Projects Pvt. Ltd.	Advance – Received	60,000	
	Advance – Given	(-) - (960,000)	900,000 (960,000)
Infinity Residences Pvt. Ltd.	Advance – Given	65,000 (15,000)	80,000 (15,000)
Innovation Management Services Pvt. Ltd.	Advance – Given	130,000 (630,000)	760,000 (630,000)

## INFINITY BNKe INFOCITY PRIVATE LIMITED

Snowwhite Infrastructure Pvt. Ltd.	Advance – Received	28,300,000 (43,575,000)	
	– Given	26,610,000 (45,265,000)	- (1,690,000)
Magnitude Infrastructure Pvt. Ltd.	Advance – Received	12,000,000 (-)	
	– Given	12,085,517 (-)	85,517 (-)
Infinity Townships Pvt. Ltd.	Advance – Received	11,320,000 (-)	
	– Given	195,475,000 (-)	184,155,000 (-)
Gopi Vallabh Solutions Pvt. Ltd.	Income & Other charges	52,30,029 (-)	651,119 (-)
	Expenses & Other Payments	4,500,000 (1,719,450)	

Note: Figures in bracket represent previous year's amounts.

### **Note 2.26: Earning Per Share**

<b>Earnings Per Share (EPS)</b>	<b>2013-14</b>	<b>2012-13</b>
Profit After Tax considered for calculating EPS	Rs.(24,883,456)	Rs.(7,297,530)
Weighted average number of ordinary shares of Rs.10/- each	10,000	10,000
Earnings Per Share (Basic and Diluted)	Rs.(2,488.35)	Rs.(729.75)

### **Note 2.27: Accounting for Taxes on Income**

Deferred Tax Asset has not been recognized as required under Accounting Standard- 22 due to prudence.

### **Note 2.28: Impairment of Assets**

In the opinion of the Management, there is no impairment of the assets to which Accounting Standard- 28 applies requiring any recognition.

### **Note 2.29: Other Disclosures**

- The Company in terms of development agreement with M/s. Gopi Vallabh Solutions Pvt. Ltd.(formerly M/s BNKe Solutions Private Limited) the Sub-lease right holder of land at

## INFINITY BNKe INFOCITY PRIVATE LIMITED

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Salt Lake, Sector V, Kolkata, has completed the construction of the commercial project "IT Lagoon" and on the basis of Completion certificate obtained from the competent authority, the construction cost incurred for completion of the Commercial Project has been capitalized in the F.Yr.2012-13.

- ii. The Company has during the year entered into development agreement with India Power Corporation Ltd. (formerly DPSC Ltd.) for construction & development of modern IT complex at Salt Lake, Sector-V, Kolkata. The said agreement has been terminated by India Power Corporation Ltd. and being aggrieved the company has referred the matter for Arbitration to the sole Arbitrator Mr. Arabinda Sen, Advocate. In terms of the Arbitration Award the company has received a sum of Rs.110,000,000/-as compensation towards settlement of its claim which include the refund of Deposit of Rs.10,100,111/-and reimbursement of expenses amounting to Rs.5,053,111/- towards development of the project. Accordingly the balance amount of Rs.94,846,778/- has been shown as exceptional item in the statement of profit and loss as per Accounting Standard issued by ICAI.
- iii. Term Loan from Allahabad Bank is further secured by undivided proportionate share of Leasehold land (admeasuring 1.12 acre) belonging to M/s. Gopi Vallabh Solutions Pvt.Ltd.(formerly BNKe Solutions Pvt.Ltd.)Situated at Plot No. E-2-2/1, Block-EP & GP, Sector-V, Saltlake, Kolkata-700 091.
- iv. Based upon information available with the Company, there is no balance due to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. There is no interest liability either paid or payable under the terms of the said Act.
- v. Figures for the previous year have been regrouped and / or rearranged, wherever necessary.

As per our report of this date attached.

**For R KOTHARI & COMPANY**  
**Chartered Accountants**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**

**Sd/-**  
**G S BAJORIA**  
**Director**

**Sd**  
**P KEDIA**  
**Director**

**Place: Kolkata**

**Dated: the 02<sup>nd</sup> day of September, 2014**

# INFINITY BNKe INFOCITY PRIVATE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31.03.2014 Rs.	Year ended 31.03.2013 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Tax	(24,883,456)	(7,297,530)
Adjustment for :		
Depreciation and Amortisation Expenses	24,953,572	2,168,795
Finance Costs	104,920,967	1,607,515
<b>Operating Profit / (Loss) before Working Capital Changes</b>	<b>104,991,083</b>	<b>(3,521,220)</b>
Adjustment for :		
Stock - In - Trade	-	(10,000,000)
Loans and Advances/Other Assets	(132,386,381)	171,918,360
Trade/Other Payable	210,356,729	131,813,252
<b>Net Cash from Operating Activities</b>	<b>182,961,431</b>	<b>290,210,392</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	39,369,373	(1,029,909,774)
Work - In - Progress	-	695,526,748
<b>Net Cash from / (used) in Investing Activities</b>	<b>39,369,373</b>	<b>(334,383,026)</b>
<b>B. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase in Borrowings	(114,618,801)	41,943,068
Finance Costs	(104,920,967)	(1,607,515)
<b>Net Cash from / (used) in Financing Activities</b>	<b>(219,539,768)</b>	<b>40,335,553</b>
<b>INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>2,791,036</b>	<b>(3,837,081)</b>
<b>Cash and Cash Equivalents at the Beginning</b>	<b>80,149</b>	<b>3,917,230</b>
<b>Cash and Cash Equivalents at the Close</b>	<b>2,871,185</b>	<b>80,149</b>

This is the cash flow statement referred to in our report on even date

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**G S BAJORIA**  
Director

Sd/-  
**P KEDIA**  
Director

Place : Kolkata

Dated : the 02nd day of September, 2014

# 7th ANNUAL REPORT 2013 - 2014

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## DIRECTORS

Mr. P Chamaria

Mr. G S Bajoria

Dr. B N Mojumder

## AUDITORS

R Kothari & Company  
Chartered Accountants  
16A, Shakespeare Sarani  
Kolkata 700071

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# INFINITY JAIPUR KNOWLEDGE CITY PRIVATE LIMITED

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## **DIRECTORS' REPORT TO THE MEMBERS**

Your Directors have pleasure in presenting the 7<sup>th</sup> Annual Report together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2014.

### **FINANCIAL RESULTS AND GENERAL REVIEW**

During the year under review, the Company has not under taken any commercial activities. All the expenses incurred upto 31<sup>st</sup> March, 2014 amounting to Rs.242,969/- (Previous Year Rs.206,246/-) has been treated as Pre-Operative Expenses and therefore no Statement of Profit and Loss has been prepared for the year ended on 31<sup>st</sup> March, 2014.

### **THE COMPANIES ACT, 2013**

The Ministry of Corporate Affairs (MCA) has notified 282 sections of the Companies Act, 2013 in tranches in September, 2013 and March 2014 with majority of the Sections as well as the rules being notified in March 2014 and made effective from 1st April, 2014. The Companies Act, 1956 continues to be in force to the extent of the corresponding provisions of the new Act which are yet to be notified. MCA vide its circular dated April 4, 2014 has clarified that the Financial statements and documents annexed thereto, auditor's report and board's report in respect of the Financial year that has commenced earlier than April 1, 2014 shall be governed by the provisions of the Companies Act, 1956 and accordingly, the Financial statements and documents annexed thereto, auditor's report and board's report and the attachments thereto have been prepared in accordance with the provisions of the Companies Act, 1956. With respect to the other provisions of the Act, appropriate references have been made in this report to the extent these provisions have become applicable effective April 1, 2014.

### **DIRECTORS**

Mr. Pulak Chamaria, Dr. Bimalendra Nath Mojumder and Mr. Gouri Shankar Bajoria constitute the Board of Directors of the Company and there is no change in the composition of the Board of Directors.

Mr. Gouri Shankar Bajoria, retires by rotation at the ensuing Annual General Meeting and, being eligible offer himself for re-appointment pursuant to Section 152 of the Companies Act, 2013 and Articles of Association of the Company. The Board of Directors of your Company recommends the re-appointment of the Director at the ensuing Annual General Meeting.

### **DEPOSITS**

Your Company has not accepted any deposits under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

# INFINITY JAIPUR KNOWLEDGE CITY PRIVATE LIMITED

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## **DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance with Section 217(2AA) of the Companies Act, 1956 the Directors, to the best of their knowledge and belief confirm:

1. That for the preparation of the Accounts for the year ended 31<sup>st</sup> March, 2014 the applicable accounting standards have been followed along with a proper explanation relating to material departures.
2. That the Directors have selected such accounting policies as mentioned in Note No. 1 of the Annual Accounts and applied them consistently and made such judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31<sup>st</sup> March, 2014.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2014 on a "going concern basis."

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

As the Company is yet to start operations and in view of the nature of activities which are carried on by the Company, the particulars as prescribed under Section 217(1)(e) of the Act, read with Rule 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 concerning Conservation of Energy and Technology Absorption respectively, are not applicable to the Company.

During the year under review, there was no foreign exchange earnings and outgo.

## **PARTICULARS OF EMPLOYEES**

The Company has no employee during the year and as such particulars of employees required to be disclosed in terms of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, are not applicable to the Company.

## **AUDITORS' REPORT**

The Notes on Accounts referred to by the Auditors in their Report are self-explanatory and require no further explanation.



# INFINITY JAIPUR KNOWLEDGE CITY PRIVATE LIMITED

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## **AUDITORS**

M/s. R Kothari & Company, Chartered Accountants, (Firm Registration No. 307069E) the Statutory Auditors of the Company, retire as Auditors of your Company at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office of Auditors, if re-appointed.

As required under the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the Company has obtained written consent from the Auditors to such re-appointment and also a certificate to the effect that their re-appointment, if made, would be in conformity within the limits specified in Section 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment. The Auditors shall be appointed for a term of five years and shall hold office from the conclusion of the ensuing Annual General Meeting till conclusion of the 12<sup>th</sup> Annual General Meeting of the Company (subject to ratification of their re-appointment at every Annual General Meeting). Your Directors recommended their re-appointment as the Statutory Auditors at the ensuing Annual General Meeting.

## **ACKNOWLEDGEMENT**

Your Directors place on record their sincere appreciation for the valuable contributions and continued co-operations received by the Company from its bankers, other associates of the Company and Statutory Authorities.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**P CHAMARIA**  
Director

Sd/-  
**G S BAJORIA**  
Director

**Place: Kolkata**

**Dated: The 02<sup>nd</sup> day of September, 2014**

*R. Kothari & Company*  
**CHARTERED ACCOUNTANTS**  
*16A Shakespeare Sarani, Kolkata - 700071*

## **INDEPENDENT AUDITORS' REPORT**

**To**

**The Members of**

**INFINITY JAIPUR KNOWLEDGE CITY PRIVATE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of INFINITY JAIPUR KNOWLEDGE CITY PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014 and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information. Statement of Profit and Loss has not been prepared as referred to in Point No.iii of Note 2.06 of 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 13th 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.

### **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 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 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.

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, 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 & Regulatory Requirements**

1. The report does not include a statement on the matter specified in paragraph '4' of the Companies (Auditor's Report) Order, 2003 as amended, issued by the Central Government of India in terms of Sub-Section (4A) of Section 227 of the Companies Act, 1956, since in our opinion and according to the information and explanations given to us, the said order is not applicable to the Company.
2. As required by Sub-Section (3) of Section 227 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 account as required by law have been kept by the Company so far as appears from our examination of those books;

- c. The Balance Sheet and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. 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 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
- e. On the basis of written representations received from the directors as on March 31, 2014, 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**  
**(Firm Registration No.307069E)**

**Sd/**  
**KAILASH CHANDRA SONI**  
**Partner**  
**(Membership No.057620)**

**Place : Kolkata**

**Dated : the 02nd day of September, 2014**

INFINITY JAIPUR KNOWLEDGE CITY PRIVATE LIMITED

**BALANCE SHEET AS AT 31ST MARCH, 2014**

	Note No.	As at 31.03.2014 Rs.		As at 31.03.2013 Rs.	
<b><u>EQUITY AND LIABILITIES</u></b>					
<b>I. SHAREHOLDERS' FUNDS</b>					
Share Capital	2.01		100,000		100,000
<b>II. CURRENT LIABILITIES</b>					
Other Current Liabilities	2.02		216,854		216,854
			<b>316,854</b>		<b>316,854</b>
<b><u>ASSETS</u></b>					
<b>I. NON CURRENT ASSETS</b>					
Other Non Current Assets	2.03		285,825		249,102
<b>II. CURRENT ASSETS</b>					
Cash & Cash Equivalents	2.04		31,029		67,752
			<b>316,854</b>		<b>316,854</b>

The Accompanying Notes are an Integral Part of the Financial Statements

1 & 2

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**P CHAMARIA**  
Director

Sd/-  
**G S BAJORIA**  
Director

Place : Kolkata  
Dated : the 02nd day of September, 2014

## **Note 1: Significant Accounting Policies**

### **A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

- a) The financial statements have been prepared under historical cost accounting, in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956.
- b) The Books of Accounts are maintained on accrual concept, unless stated otherwise.
- c) Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

### **B. MISCELLANEOUS EXPENDITURE**

Preliminary expenses will be written off over a period of five years from the commencement of commercial activities.

### **C. PRE-OPERATIVE EXPENSES**

Pre-operative expenses will be appropriately accounted for after the commencement of commercial activities.

### **D. PROVISIONS & CONTINGENT LIABILITIES**

A provision is recognized when there is a present obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are disclosed after an evaluation of the facts and legal aspects of the matters involved.

### **E. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumption that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

INFINITY JAIPUR KNOWLEDGE CITY PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b>Note 2.01: SHARE CAPITAL</b>		
<b>Authorised</b> 100,000 (Previous Year 100,000) Equity Shares of Rs.10/- each	1,000,000	1,000,000
<b>Issued, Subscribed &amp; Paid Up</b> 10,000 (Previous Year 10,000) Equity Shares of Rs.10/- each fully paid up.	100,000	100,000
	<b>100,000</b>	<b>100,000</b>
<b>Reconciliation of Share Capital (In Numbers)</b> Shares Outstanding at the Beginning of the Year	10,000	10,000
Shares Outstanding at the Closing of the Year	10,000	10,000
<b>Reconciliation of Share Capital</b> Shares Outstanding at the Beginning of the Year	100,000	100,000
Shares Outstanding at the Closing of the Year	100,000	100,000
<b>Terms/Rights Attached to Shares</b> The Company has only one class of Equity Shares having a Par Value of Rs.10/- per Share. Each Shareholder is eligible for one vote per Share. The Dividend proposed by the Board of Directors is subject to the approval of shareholders. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.		
<b>Equity Shares in Company held by Holding Company</b> Infinity Infotech Parks Limited & its Nominees	10,000	10,000
<b>List of Shareholders Holding more than 5% Shares (In Numbers)</b> Infinity Infotech Parks Limited & its Nominees	10,000	10,000
<b>Note 2.02: OTHER CURRENT LIABILITIES</b>		
Advance from Related Party [ Refer Note No. 2.05 ]	200,000	200,000
Expenses Payables	16,854	16,854
	<b>216,854</b>	<b>216,854</b>
<b>Note 2.03: OTHER NON CURRENT ASSETS</b>		
Preliminary Expenses	42,856	42,856
	42,856	42,856
Pre Operative Expenses		
Balance Brought Forward	206,246	169,383
Audit Fees	16,854	17,163
Rates & Taxes	18,100	18,100
Miscellaneous Expenses	1,769	1,600
	242,969	206,246
	<b>285,825</b>	<b>249,102</b>
<b>Note 2.04: CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	1,042	1,642
Balance with Banks	29,987	66,110
	<b>31,029</b>	<b>67,752</b>

# INFINITY JAIPUR KNOWLEDGE CITY PRIVATE LIMITED

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## **Note 2.05: Related Party Disclosures**

### A. Relations

- (i) Holding Company : Infinity Infotech Parks Limited  
(Holding 100% equity in the Company)
- (ii) Other/ Associates : Infinity BNKe Infocity Pvt. Ltd.  
: Infinity Townships Pvt. Ltd.  
: Infinity Finance Ltd.  
: Infinity Knowledge City Pvt. Ltd.  
: Infinity Griha Nirmaan Pvt. Ltd.  
: Infinity Villa Pvt. Ltd.  
: Brainspace Management & Skill Education Ltd.  
(w.e.f.30.08.2013)  
: Infinity Infrastructure Ltd.  
: Bhubaneswar IT Park Projects Pvt. Ltd.  
: Jaipur Knowledge & Education City Pvt. Ltd.  
: Navayuga Infinity Infrastructure Pvt. Ltd.  
: Profile Infinity Infrastructures Pvt. Ltd.  
: Virtuoso Infrabuild Pvt. Ltd.  
: Environmental Creation Pvt. Ltd.  
: P S Infinity Knowledge City Developers Pvt. Ltd.
- (iii) Key Management Personnel : Mr. Pulak Chamaria

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

### B. Transaction carried out with related parties referred in A above, in ordinary course of business:

<b>Related Party</b>	<b>Nature of Transaction</b>	<b>Transaction During The Year</b>	<b>Balance As on 31-03-2014</b>
Infinity Infotech Parks Ltd.	Advance – Received	- (-)	200,000 (200,000)

Note: Figures in bracket represent previous year's amounts.

## **Note 2.06: Other Disclosures**

- i. The disclosure requirements of Accounting Standard- 17 on Segment Reporting, Accounting Standard- 20 on Earnings per Share and Accounting Standard- 22 on Accounting for Taxes on Income are not applicable to the Company as it is yet to start its commercial activities. Since



# INFINITY JAIPUR KNOWLEDGE CITY PRIVATE LIMITED

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the Company is not having any employee the disclosure requirements of Accounting Standard- 15 on Employee Benefit is not applicable.

- ii. Since the Company does not have any Fixed Assets, no disclosure and recognition in this regard has been made as per Accounting Standard- 28.
- iii. The Company is yet to start commercial activities and accordingly Statement of Profit & Loss has not been prepared. Expenses incurred up to 31.03.2014 amounting to Rs.242,969/- (Previous Year Rs.206,246/-) has been transferred to Pre-Operative Expenses as per Note No.2.03.
- iv. Based upon information available with the Company, there is no balance due to Micro and Small Enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006. There is no interest liability either paid or payable under the terms of the said Act.
- v. Figures for the previous year have been regrouped and / or rearranged, wherever necessary.

As per our report of this date attached.

**For R KOTHARI & COMPANY**  
**Chartered Accountants**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**

**Sd/-**  
**P CHAMARIA**  
**Director**

**Sd/-**  
**G S BAJORIA**  
**Director**

**Place : Kolkata**

**Dated: the 02<sup>nd</sup> day of September, 2014**

# INFINITY JAIPUR KNOWLEDGE CITY PRIVATE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31.03.2014 Rs.	Year ended 31.03.2013 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Operating Profit before Working Capital Changes	-	-
Adjustment for :		
Pre Operative Expenses	(36,723)	(36,863)
Trade/Other Payables	-	309
<b>Net Cash used in Operating Activities</b>	<b>(36,723)</b>	<b>(36,554)</b>
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(36,723)</b>	<b>(36,554)</b>
Cash and Cash Equivalents at the Beginning	67,752	104,306
<b>Cash and Cash Equivalents at the Close</b>	<b>31,029</b>	<b>67,752</b>

This is the cash flow statement referred to in our report on even date

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**P CHAMARIA**  
Director

Sd/-  
**G S BAJORIA**  
Director

Place : Kolkata

Dated : the 02nd day of September, 2014

## 5th ANNUAL REPORT 2013 - 2014

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### DIRECTORS

Mr. G S Bajoria

Mr. P C Goenka

Mr. N L Bubna

### AUDITORS

R Kothari & Company  
Chartered Accountants  
16A, Shakespeare Sarani  
Kolkata 700071

### CONTENTS

AGM Notice  
Directors Report  
Auditors Report  
Balance Sheet  
Notes Forming Part of the  
Balance Sheet  
Cash Flow Statement

# INFINITY KNOWLEDGE CITY PRIVATE LIMITED

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## **DIRECTORS' REPORT TO THE MEMBERS**

Your Directors have pleasure in presenting the 5<sup>th</sup> Annual Report together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2014.

### **FINANCIAL RESULTS AND GENERAL REVIEW**

During the year under review the Company has not undertaken any commercial activities. All the expenses incurred upto 31<sup>st</sup> March, 2014 has been transferred to Work-In-Progress pending allocation for the ongoing project amounting to Rs.15,703,073/- (Previous Year Rs.10,208,588/-) includes Pre-Operative expenses amounting to Rs.7,907,613/- (Previous Year Rs.3,617,003/-) and therefore no Statement of Profit and Loss has been prepared for the year ended on 31<sup>st</sup> March, 2014.

### **THE COMPANIES ACT, 2013**

The Ministry of Corporate Affairs (MCA) has notified 282 sections of the Companies Act, 2013 in tranches in September, 2013 and March 2014 with majority of the Sections as well as the rules being notified in March 2014 and made effective from 1st April, 2014. The Companies Act, 1956 continues to be in force to the extent of the corresponding provisions of the new Act which are yet to be notified. MCA vide its circular dated April 4, 2014 has clarified that the Financial statements and documents annexed thereto, auditor's report and board's report in respect of the Financial year that has commenced earlier than April 1, 2014 shall be governed by the provisions of the Companies Act, 1956 and accordingly, the Financial statements and documents annexed thereto, auditor's report and board's report and the attachments thereto have been prepared in accordance with the provisions of the Companies Act, 1956. With respect to the other provisions of the Act, appropriate references have been made in this report to the extent these provisions have become applicable effective April 1, 2014.

### **DIRECTORS**

During, the year under review, Mr. Ravindra Chamaria and Mr. Pulak Chamaria resigned as Directors of the Company with effect from 21<sup>st</sup> December, 2013. The Board place on record its high appreciation and gratitude for the valuable services rendered by them during their tenure as Directors of the Company.

Mr. Piyush Chandra Goenka and Mr. Nand Lal Bubna were appointed as Additional Directors of the Company with effect from 20<sup>th</sup> December, 2013 in terms of Section 161 of the Companies Act, 2013 and they holds office only upto the date of ensuing Annual General Meeting. The Company has received requisite notices in writing from a member proposing their name for the office of Directors.

# INFINITY KNOWLEDGE CITY PRIVATE LIMITED

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Mr. Gouri Shankar Bajoria, retires by rotation at the ensuing Annual General Meeting and, being eligible offer himself for re-appointment pursuant to Section 152 of the Companies Act, 2013 and Articles of Association of the Company.

The Board of Directors of your Company recommends the appointment/re-appointment of the above Directors at the ensuing Annual General Meeting.

## **DEPOSITS**

Your Company has not accepted any deposits under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance with Section 217(2AA) of the Companies Act, 1956 the Directors, to the best of their knowledge and belief confirm:

1. That for the preparation of the Accounts for the year ended 31<sup>st</sup> March, 2014 the applicable accounting standards have been followed along with a proper explanation relating to material departures.
2. That the Directors have selected such accounting policies as mentioned in Note No. 1 of the Annual Accounts and applied them consistently and made such judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31<sup>st</sup> March, 2014.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2014 on a "going concern basis."

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

As the Company is yet to start operations and in view of the nature of activities which are carried on by the Company, the particulars as prescribed under Section 217(1)(e) of the Act, read with Rule 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 concerning Conservation of Energy and Technology Absorption respectively, are not applicable to the Company.

During the year under review, there was no foreign exchange earnings and outgo.

# INFINITY KNOWLEDGE CITY PRIVATE LIMITED

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## **PARTICULARS OF EMPLOYEES**

During the year under review, none of the employees were employed at a remuneration exceeding the amount as specified U/s 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended.

## **AUDITORS' REPORT**

The Notes on Accounts referred to by the Auditors in their Report are self-explanatory and require no further explanation.

## **AUDITORS**

M/s. R Kothari & Company, Chartered Accountants, (Firm Registration No. 307069E) the Statutory Auditors of the Company, retire as Auditors of your Company at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office of Auditors, if re-appointed.

As required under the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the Company has obtained written consent from the Auditors to such re-appointment and also a certificate to the effect that their re-appointment, if made, would be in conformity within the limits specified in Section 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment. The Auditors shall be appointed for a term of five years and shall hold office from the conclusion of the ensuing Annual General Meeting till conclusion of the 10<sup>th</sup> Annual General Meeting of the Company (subject to ratification of their re-appointment at every Annual General Meeting). Your Directors recommended their re-appointment as the Statutory Auditors at the ensuing Annual General Meeting.

## **ACKNOWLEDGEMENT**

Your Directors place on record their sincere appreciation for the valuable contributions and continued co-operations received by the Company from its bankers, other associates of the Company and Statutory Authorities.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-**  
**P C GOENKA**  
**Director**

**Sd/-**  
**G S BAJORIA**  
**Director**

**Place: Kolkata**

**Dated: The 02<sup>nd</sup> day of September, 2014**

## **INDEPENDENT AUDITORS' REPORT**

**To**

**The Members of**

**INFINITY KNOWLEDGE CITY PRIVATE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of INFINITY KNOWLEDGE CITY PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014 and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information. Statement of Profit and Loss has not been prepared as referred to in Point No.iv of Note 2.14 of 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 13th 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.

### **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 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 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.

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, 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 & Regulatory Requirements**

1. The report does not include a statement on the matter specified in paragraph '4' of the Companies (Auditor's Report) Order, 2003 as amended, issued by the Central Government of India in terms of Sub-Section (4A) of Section 227 of the Companies Act, 1956, since in our opinion and according to the information and explanations given to us, the said order is not applicable to the Company.
2. As required by Sub-Section (3) of Section 227 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 account as required by law have been kept by the Company so far as appears from our examination of those books;



- c. The Balance Sheet and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. 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 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
- e. On the basis of written representations received from the directors as on March 31, 2014, 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**  
**(Firm Registration No.307069E)**

Sd/  
**KAILASH CHANDRA SONI**  
**Partner**  
**(Membership No.057620)**

**Place : Kolkata**

**Dated : the 02<sup>nd</sup> day of September, 2014**

# INFINITY KNOWLEDGE CITY PRIVATE LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at 31.03.2014 Rs.		As at 31.03.2013 Rs.	
<b><u>EQUITY AND LIABILITIES</u></b>					
<b>I. SHAREHOLDERS' FUNDS</b>					
Share Capital	2.01	100,000		100,000	
			100,000		100,000
<b>II. NON CURRENT LIABILITIES</b>					
Long Term Provisions	2.02	157,290		72,462	
			157,290		72,462
<b>III. CURRENT LIABILITIES</b>					
Short Term Borrowings	2.03	-		6,970,000	
Other Current Liabilities	2.04	56,589,728		44,276,765	
Short Term Provisions	2.05	113,168		58,918	
			56,702,896		51,305,683
			<b>56,960,186</b>		<b>51,478,145</b>
<b><u>ASSETS</u></b>					
<b>I. NON CURRENT ASSETS</b>					
Fixed Assets	2.06				
Tangible Assets		676,997		755,590	
Other Non Current Assets	2.07	136,210		136,210	
			813,207		891,800
<b>II. CURRENT ASSETS</b>					
Inventories	2.08	15,703,073		10,208,588	
Cash & Cash Equivalents	2.09	90,246		24,125	
Short Term Loans & Advances	2.10	40,320,000		40,320,000	
Other Current Assets	2.11	33,660		33,632	
			56,146,979		50,586,345
			<b>56,960,186</b>		<b>51,478,145</b>

The Accompanying Notes are an Integral Part of the Financial Statements

1 & 2

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**P C GOENKA**  
Director

Sd/-  
**G S BAJORIA**  
Director

Place : Kolkata

Dated : the 02nd day of September, 2014

## **Note 1: Significant Accounting Policies**

### **A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

- a) The financial statements have been prepared under historical cost accounting, in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956.
- b) The Books of Accounts are maintained on accrual concept, unless stated otherwise.
- c) Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

### **B. REVENUE RECOGNITION**

Revenue from Real Estate Project is recognised upon transfer of all significant risks & rewards of ownership to the buyers, which generally coincide with the firming of the sale agreements and when it is reasonably certain that the ultimate collection will be made and no significant uncertainty exists regarding the amount of consideration.

However, where the Company still has obligation to perform substantial acts even after the transfer of all significant risks and rewards, revenue is recognized on Percentage of Completion Method (POC) when the criteria specified in the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by Institute of Chartered Accountants of India are satisfied. The stage of completion under the POC method is measured on the basis of percentage that actual costs incurred on Real Estate projects including land, construction and development cost bears to the total estimated cost of the project. The estimates of the projected revenues, projected profits, projected costs, costs to completion and the forceable loss are reviewed periodically by the management and any effect of changes in estimates is recognized in the period such changes are determined.

### **C. FIXED ASSETS**

Fixed Assets have been stated at cost less accumulated depreciation.

### **D. DEPRECIATION**

Depreciation has been provided on prorata basis on Straight Line Method as per the rates prescribed under Schedule XIV of the Companies Act, 1956.

### **E. INVENTORIES**

#### a) WORK IN PROGRESS

The value of Work in Progress is aggregate of construction and Development Expenses, Materials, Borrowing costs, other overheads relating to projects under construction. Work in Progress is valued at cost.

b) Completed Real Estate Projects are valued at lower of cost or net realizable value.

## **F. BORROWING COST**

Borrowing cost attributable to the construction of qualifying assets as defined in Accounting Standard- 16 on Borrowing Cost, are capitalized as part of the cost of construction. Other borrowing cost is expensed as incurred.

## **G. EMPLOYEE BENEFITS**

Provision for Leave Entitlement is accrued and provided on the basis of balance leave at the close of the year.

## **H. MISCELLANEOUS EXPENDITURE**

Preliminary expenses will be written off over a period of five years from the commencement of commercial activities.

## **I. PRE-OPERATIVE EXPENSES**

Pre-operative expenses will be appropriately accounted for after the commencement of commercial activities.

## **J. PROVISIONS & CONTINGENT LIABILITIES**

A provision is recognized when there is a present obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are disclosed after an evaluation of the facts and legal aspects of the matters involved.

## **K. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumption that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

# INFINITY KNOWLEDGE CITY PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.01: SHARE CAPITAL</u></b>		
<b>Authorised</b> 500,000 (Previous Year 500,000) Equity Shares of Rs.10/- each	5,000,000	5,000,000
<b>Issued, Subscribed &amp; Paid Up</b> 10,000 (Previous Year 10,000) Equity Shares of Rs.10/- each fully paid up.	100,000	100,000
	<b>100,000</b>	<b>100,000</b>
<b>Reconciliation of Share Capital (In Numbers)</b> Shares Outstanding at the Beginning of the Year	10,000	10,000
Shares Outstanding at the Closing of the Year	10,000	10,000
<b>Reconciliation of Share Capital</b> Shares Outstanding at the Beginning of the Year	100,000	100,000
Shares Outstanding at the Closing of the Year	100,000	100,000
<b>Terms/Rights Attached to Shares</b> The Company has only one class of Equity Shares having a Par Value of Rs.10/- per Share. Each Shareholder is eligible for one vote per Share. The Dividend proposed by the Board of Directors is subject to the approval of shareholders. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.		
<b>Equity Shares in Company held by Holding Company</b> Infinity Infotech Parks Limited & its Nominees	10,000	10,000
<b>List of Shareholders Holding more than 5% Shares (In Numbers)</b> Infinity Infotech Parks Limited & its Nominees	10,000	10,000
<b><u>Note 2.02: LONG TERM PROVISIONS</u></b>		
Provision for Employee Benefits	157,290	72,462
	<b>157,290</b>	<b>72,462</b>
<b><u>Note 2.03: SHORT TERM BORROWINGS</u></b>		
<b>Unsecured</b> Loan from Body Corporate	-	6,970,000
	-	<b>6,970,000</b>
<b><u>Note 2.04: OTHER CURRENT LIABILITIES</u></b>		
Advance from Related Party [ Refer Note No. 2.13 ]	55,300,000	43,500,000
Expenses Payable	415,549	269,149
Interest Accrued and Due	754,568	446,978
Statutory Liabilities	119,611	60,638
	<b>56,589,728</b>	<b>44,276,765</b>
<b><u>Note 2.05: SHORT TERM PROVISIONS</u></b>		
Provision for Employee Benefits	113,168	58,918
	<b>113,168</b>	<b>58,918</b>

# INFINITY KNOWLEDGE CITY PRIVATE LIMITED

## Note 2.06: FIXED ASSETS

DESCRIPTION OF ASSETS	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK
	As at 01/04/2013 Rs.	Additions Rs.	Deductions / Adjustments Rs.	As at 31/03/2014 Rs.	Upto 31/03/2013 Rs.	Additions Rs.	Adjustments Rs.	Upto 31/03/2014 Rs.	As at 31/03/2014 Rs.
<b><u>Tangible Assets</u></b>									
Furniture, Fixtures & Equipments	54,500	-	-	54,500	4,594	5,003	-	9,597	44,903
	(-)	(54,500)	(-)	(54,500)	(-)	(4,594)	(-)	(4,594)	
Motor Vehicles	774,627	-	-	774,627	68,943	73,590	-	142,533	632,094
	(-)	(774,627)	(-)	(774,627)	(-)	(68,943)	(-)	(68,943)	
<b>Total</b>	<b>829,127</b>	<b>-</b>	<b>-</b>	<b>829,127</b>	<b>73,537</b>	<b>78,593</b>	<b>-</b>	<b>152,130</b>	<b>676,997</b>
	<b>(-)</b>	<b>(829,127)</b>	<b>(-)</b>	<b>(829,127)</b>	<b>(-)</b>	<b>(73,537)</b>	<b>(-)</b>	<b>(73,537)</b>	<b>(755,590)</b>

Note: Figures in bracket represent previous year's amounts.

# INFINITY KNOWLEDGE CITY PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.07: OTHER NON CURRENT ASSETS</u></b>		
Preliminary Expenses	136,210	136,210
	<b>136,210</b>	<b>136,210</b>
<b><u>Note 2.08: INVENTORIES</u></b>		
Work - In - Progress		
Building Work In Progress	7,795,460	6,591,585
Pre Operative Expenses		
Balance Brought Forward	3,617,003	122,343
Audit Fees	16,854	17,163
Depreciation	78,593	73,537
Employment Cost	2,827,814	2,447,652
Finance Charges	838,409	454,775
Rates & Taxes	19,782	18,754
Miscellaneous Expenses	509,158	482,779
	<b>15,703,073</b>	<b>10,208,588</b>
<b><u>Note 2.09: CASH AND CASH EQUIVALENTS</u></b>		
Cash on Hand	6,311	16,289
Balance with Banks	83,936	7,836
	<b>90,246</b>	<b>24,125</b>
<b><u>Note 2.10: SHORT TERM LOANS &amp; ADVANCES</u></b>		
<b>Unsecured, Considered Good</b>		
Advances (Recoverable in Cash or in kind or for Value to be received)	40,320,000	40,320,000
	<b>40,320,000</b>	<b>40,320,000</b>
<b><u>Note 2.11: OTHER CURRENT ASSETS</u></b>		
Prepaid Expenses	33,660	33,632
	<b>33,660</b>	<b>33,632</b>

# INFINITY KNOWLEDGE CITY PRIVATE LIMITED

## **Note 2.12: Contingent Liabilities and Commitments (To the Extent Not Provided For)**

The estimated amount of contracts, net of advances remaining to be executed on capital account as on 31.03.2014 Rs.23,952,580/- (Previous Year Rs.23,952,580/-).

## **Note 2.13: Related Party Disclosures**

### A. Relations

- (i) Holding Company : Infinity Infotech Parks Limited  
(Holding 100% equity in the Company)
- (ii) Other/ Associates : Infinity BNKe Infocity Pvt. Ltd.  
: Infinity Townships Pvt. Ltd.  
: Infinity Finance Ltd.  
: Infinity Jaipur Knowledge City Pvt. Ltd.  
: Infinity Griha Nirmaan Pvt. Ltd.  
: Infinity Villa Pvt. Ltd.  
: Brainspace Management & Skill Education Ltd.  
(w.e.f.30.08.2013)  
: Infinity Infrastructure Ltd.  
: Bhubaneswar IT Park Projects Pvt. Ltd.  
: Profile Infinity Infrastructures Pvt. Ltd.
- (iii) Key Management Personnel : Mr. G S Bajoria

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

### B. Transaction carried out with related parties referred in A above, in ordinary course of business:

<b>Related Party</b>	<b>Nature Of Transaction</b>	<b>Transaction During The Year</b>	<b>Balance As on 31-03-2014</b>
Infinity Infotech Parks Ltd.	Advance – Received	11,800,000 (3,200,000)	55,300,000 (43,500,000)

Note: Figures in bracket represent previous year's amounts.

## **Note 2.14: Other Disclosures**

- i. The disclosure requirements of Accounting Standard- 17 on Segment Reporting; Accounting Standard- 20 on Earnings per Share and Accounting Standard- 22 on Accounting for Taxes on Income are not applicable to the Company as it is yet to start its commercial activities.
- ii. In the opinion of the Management, there is no impairment of the assets to which Accounting- 28 applies requiring any recognition.



# INFINITY KNOWLEDGE CITY PRIVATE LIMITED

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- iii. The provisions of Employee's Provident Fund and Miscellaneous Provisions Act, 1952 and The Payment of Gratuity Act, 1972 are not applicable to the Company.
- iv. The Company has decided to develop a Real Estate Project & commercial activities in respect of the said project are yet to be started, accordingly no Statement of Profit & Loss has been prepared. Work In Progress pending allocation for ongoing project of the Company and amounting to Rs.15,703,073/- (Previous Year Rs.10,208,588/-) includes Pre-Operative expenses amounting to Rs.7,907,613/- (Previous Year Rs.3,617,003/-).
- v. Based upon information available with the Company, there is no balance due to Micro and Small Enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006. There is no interest liability either paid or payable under the terms of the said Act.
- vi. Figures for the previous year have been regrouped and / or rearranged, wherever necessary.

As per our report of this date attached.

**For R KOTHARI & COMPANY**  
**Chartered Accountants**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**

**Sd/-**  
**P C GOENKA**  
**Director**

**Sd/-**  
**G S BAJORIA**  
**Director**

**Place : Kolkata**

**Dated: the 02<sup>nd</sup> day of September, 2014**

# INFINITY KNOWLEDGE CITY PRIVATE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31.03.2014 Rs.	Year ended 31.03.2013 Rs.
<b>A. <u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
Operating Profit before Working Capital Changes	-	-
Adjustment for :		
Work - In - Progress	(5,415,892)	(7,592,996)
Loans and Advances	(28)	(353,632)
Trade/Other Payables	12,452,041	2,549,539
<b>Net Cash from / (used) in Operating Activities</b>	<b>7,036,121</b>	<b>(5,397,089)</b>
<b>B. <u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
Purchase of Fixed Assets	-	(829,127)
<b>Net Cash used in Investing Activities</b>	<b>-</b>	<b>(829,127)</b>
<b>C. <u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
Increase in Borrowings	(6,970,000)	6,120,000
<b>Net Cash from / (used) in Financing Activities</b>	<b>(6,970,000)</b>	<b>6,120,000</b>
<b>INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>66,121</b>	<b>(106,216)</b>
Cash and Cash Equivalents at the Beginning	24,125	130,341
<b>Cash and Cash Equivalents at the Close</b>	<b>90,246</b>	<b>24,125</b>

This is the cash flow statement referred to in our report on even date

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**P C GOENKA**  
Director

Sd/-  
**G S BAJORIA**  
Director

Place : Kolkata

Dated : the 02nd day of September, 2014

**4th ANNUAL REPORT  
2013 - 2014**

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**DIRECTORS**

**Mr. P Bajoria**  
**Mr. A Jalan**  
**Mr. N L Bubna**

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**AUDITORS**

**R Kothari & Company**  
**Chartered Accountants**  
**16A, Shakespeare Sarani**  
**Kolkata 700071**

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**Balance Sheet**  
**Notes Forming Part of the**  
**Balance Sheet**  
**Cash Flow Statement**

# INFINITY GRIHA NIRMAAN PRIVATE LIMITED

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## **DIRECTORS' REPORT TO THE MEMBERS**

Your Directors have pleasure in presenting the 4<sup>th</sup> Annual Report together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2014.

### **FINANCIAL RESULTS**

During the year under review the Company has not undertaken any commercial activities. All the expenses incurred upto 31<sup>st</sup> March, 2014 has been transferred to Work-In-Progress pending allocation for the ongoing project amounting to Rs.52,122,031/- (Previous Year Rs.26,034,659/-) includes pre-operative expenses amounting to Rs.20,852,412/- (Previous Year Rs.9,417,544/-) and therefore no Statement of Profit and Loss has been prepared for the year ended on 31<sup>st</sup> March, 2014.

### **PROJECT AND GENERAL REVIEW**

Your Directors have pleasure in informing you that your Company has started working and is taking necessary steps for the development of Residential Housing Complex at Ranchi, Jharkhand.

### **THE COMPANIES ACT, 2013**

The Ministry of Corporate Affairs (MCA) has notified 282 sections of the Companies Act, 2013 in tranches in September, 2013 and March 2014 with majority of the Sections as well as the rules being notified in March 2014 and made effective from 1st April, 2014. The Companies Act, 1956 continues to be in force to the extent of the corresponding provisions of the new Act which are yet to be notified. MCA vide its circular dated April 4, 2014 has clarified that the Financial statements and documents annexed thereto, auditor's report and board's report in respect of the Financial year that has commenced earlier than April 1, 2014 shall be governed by the provisions of the Companies Act, 1956 and accordingly, the Financial statements and documents annexed thereto, auditor's report and board's report and the attachments thereto have been prepared in accordance with the provisions of the Companies Act, 1956. With respect to the other provisions of the Act, appropriate references have been made in this report to the extent these provisions have become applicable effective April 1, 2014.

### **DIRECTORS**

During, the year under review, Mr. Gouri Shankar Bajoria and Mr. Rishi Jalan resigned as Director of the Company with effect from 16<sup>th</sup> September, 2013 and 20<sup>th</sup> December, 2013 respectively. The Board place on record its high appreciation and gratitude for the valuable services rendered by them during their tenure as Directors of the Company.

Mr. Ajay Kumar Jalan and Mr. Nand Lal Bubna were appointed as Additional Directors of the Company with effect from 16<sup>th</sup> September, 2013 and 20<sup>th</sup> December, 2013 respectively in terms of Section 161 of the Companies Act, 2013 and they holds office only upto the date of

# INFINITY GRIHA NIRMAAN PRIVATE LIMITED

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ensuing Annual General Meeting. The Company has received requisite notices in writing from a member proposing their name for the office of Directors.

Mr. Piyush Bajoria, retires by rotation at the ensuing Annual General Meeting and, being eligible offer himself for re-appointment pursuant to Section 152 of the Companies Act, 2013 and Articles of Association of the Company.

The Board of Directors of your Company recommends the appointment/re-appointment of the above Directors at the ensuing Annual General Meeting.

## **DEPOSITS**

Your Company has not accepted any deposits under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance with Section 217(2AA) of the Companies Act, 1956 the Directors, to the best of their knowledge and belief confirm:

1. That for the preparation of the Accounts for the year ended 31<sup>st</sup> March, 2014 the applicable accounting standards have been followed along with a proper explanation relating to material departures.
2. That the Directors have selected such accounting policies as mentioned in Note No. 1 of the Annual Accounts and applied them consistently and made such judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31<sup>st</sup> March, 2014.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2014 on a "going concern basis."

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

As the Company is yet to start operations and in view of the nature of activities which are carried on by the Company, the particulars as prescribed under Section 217(1)(e) of the Act, read with Rule 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, concerning Conservation of Energy and Technology Absorption respectively, are not applicable to the Company.

During the year under review, there was no foreign exchange earnings, however there was an outgo of USD 69,776.20/- amounting to Indian Rupees 4,239,828.05/- and Singapore Dollar 2,128/- amounting to Indian Rupees 106,485.12/- in foreign exchange.

# INFINITY GRIHA NIRMAAN PRIVATE LIMITED

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## **PARTICULARS OF EMPLOYEES**

During the year under review, none of the employees were employed at a remuneration exceeding the amount as specified u/s 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended.

## **AUDITORS' REPORT**

The Notes on Accounts referred to by the Auditors in their Report are self-explanatory and require no further explanation.

## **AUDITORS**

M/s. R Kothari & Company, Chartered Accountants, (Firm Registration No. 307069E) the Statutory Auditors of the Company, retire as Auditors of your Company at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office of Auditors, if re-appointed.

As required under the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the Company has obtained written consent from the Auditors to such re-appointment and also a certificate to the effect that their re-appointment, if made, would be in conformity within the limits specified in Section 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment. The Auditors shall be appointed for a term of five years and shall hold office from the conclusion of the ensuing Annual General Meeting till conclusion of the 9<sup>th</sup> Annual General Meeting of the Company (subject to ratification of their re-appointment at every Annual General Meeting). Your Directors recommended their re-appointment as the Statutory Auditors at the ensuing Annual General Meeting.

## **ACKNOWLEDGEMENT**

Your Directors place on record their sincere appreciation for the valuable contributions and continued co-operations received by the Company from its bankers, other associates of the Company and Statutory Authorities.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-**  
**P BAJORIA**  
**Director**

**Sd/-**  
**A JALAN**  
**Director**

**Place: Kolkata**

**Dated: The 02<sup>nd</sup> day of September, 2014**

*R. Kothari & Company*  
*CHARTERED ACCOUNTANTS*  
*16A Shakespeare Sarani, Kolkata – 700071*

## **INDEPENDENT AUDITORS' REPORT**

**To**

**The Members of**

**INFINITY GRIHA NIRMAAN PRIVATE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of INFINITY GRIHA NIRMAAN PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014 and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information. Statement of Profit and Loss has not been prepared as referred to in Point No.vi of Note 2.14 of 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 13th 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.

### **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 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 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.

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, 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 & Regulatory Requirements**

1. The report does not include a statement on the matter specified in paragraph '4' of the Companies (Auditor's Report) Order, 2003 as amended, issued by the Central Government of India in terms of Sub-Section (4A) of Section 227 of the Companies Act, 1956, since in our opinion and according to the information and explanations given to us, the said order is not applicable to the Company.
2. As required by Sub-Section (3) of Section 227 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 account as required by law have been kept by the Company so far as appears from our examination of those books;



- c. The Balance Sheet and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. 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 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
- e. On the basis of written representations received from the directors as on March 31, 2014, 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**  
**(Firm Registration No.307069E)**

Sd/  
**KAILASH CHANDRA SONI**  
Partner  
**(Membership No.057620)**

**Place : Kolkata**

**Dated : the 02<sup>nd</sup> day of September, 2014**

# INFINITY GRIHA NIRMAAN PRIVATE LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at 31.03.2014 Rs.		As at 31.03.2013 Rs.	
<b><u>EQUITY AND LIABILITIES</u></b>					
<b>I. SHAREHOLDERS' FUNDS</b>					
Share Capital	2.01	100,000		100,000	
			100,000		100,000
<b>II. NON CURRENT LIABILITIES</b>					
Long Term Provisions	2.02	96,086		40,011	
			96,086		40,011
<b>III. CURRENT LIABILITIES</b>					
Trade Payables		1,446,570		3,604,825	
Other Current Liabilities	2.03	226,083,304		107,974,483	
Short Term Provisions	2.04	41,920		38,194	
			227,571,794		111,617,502
			<b>227,767,880</b>		<b>111,757,513</b>
<b><u>ASSETS</u></b>					
<b>I. NON CURRENT ASSETS</b>					
Fixed Assets	2.05				
Tangible Assets		3,152,620		3,398,822	
Long Term Loans & Advances	2.06	628,500		542,100	
Other Non Current Assets	2.07	38,960		38,960	
			3,820,080		3,979,882
<b>II. CURRENT ASSETS</b>					
Inventories	2.08	52,122,031		26,034,659	
Cash & Cash Equivalents	2.09	161,772		102,871	
Short Term Loans & Advances	2.10	171,639,791		81,626,835	
Other Current Assets	2.11	24,206		13,266	
			223,947,800		107,777,631
			<b>227,767,880</b>		<b>111,757,513</b>

The Accompanying Notes are an Integral Part of the Financial Statements

1 & 2

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**P BAJORIA**  
Director

Sd/-  
**A JALAN**  
Director

Place : Kolkata

Dated : the 02nd day of September, 2014

## **Note 1: Significant Accounting Policies**

### **A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

- a) The Financial statements have been prepared under historical cost accounting, in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956.
- b) The Books of Accounts are maintained on accrual concept, unless stated otherwise.
- c) Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

### **B. REVENUE RECOGNITION**

Revenue from Real Estate Project is recognised upon transfer of all significant risks & rewards of ownership to the buyers, which generally coincide with the firming of the sale agreements and when it is reasonably certain that the ultimate collection will be made and no significant uncertainty exists regarding the amount of consideration.

However, where the Company still has obligation to perform substantial acts even after the transfer of all significant risks and rewards, revenue is recognized on Percentage of Completion Method (POC) when the criteria specified in the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by Institute of Chartered Accountants of India are satisfied. The stage of completion under the POC method is measured on the basis of percentage that actual costs incurred on Real Estate projects including land, construction and development cost bears to the total estimated cost of the project. The estimates of the projected revenues, projected profits, projected costs, costs to completion and the forceable loss are reviewed periodically by the management and any effect of changes in estimates is recognized in the period such changes are determined.

### **C. FIXED ASSETS**

Fixed Assets have been stated at cost less accumulated depreciation.

### **D. DEPRECIATION**

Depreciation has been provided on prorata basis on Straight Line Method as per the rates prescribed under Schedule XIV of the Companies Act, 1956.

### **E. INVENTORIES**

#### a) WORK IN PROGRESS

The value of Work in Progress is aggregate of construction and Development Expenses, Materials, Borrowing costs, other overheads relating to projects under construction. Work in Progress is valued at cost.

- b) Completed Real Estate Projects are valued at lower of cost or net realizable value.

## **F. FOREIGN CURRENCY TRANSACTIONS**

Transactions denominated in foreign currency are recorded at the exchange rates prevailing on the date of the transactions.

Monetary and Non Monetary assets and liabilities denominated in foreign currency are translated at the exchange rates prevailing on the balance sheet date and resultant gain/loss are capitalized as part of the cost of construction till the completion of the project.

## **G. EMPLOYEE BENEFITS**

Provision for Leave Entitlement is accrued and provided on the basis of balance leave at the close of the year.

## **H. MISCELLANEOUS EXPENDITURE**

Preliminary Expenses will be written off over a period of 5 years from the commencement of commercial activities.

## **I. PRE-OPERATIVE EXPENSES**

Pre-operative expenses will be appropriately accounted for after the commencement of commercial activities.

## **J. PROVISIONS AND CONTINGENT LIABILITIES**

A Provision is recognized when there is present obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are disclosed after an evaluation of the facts and legal aspects of the matters involved.

## **K. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumption that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

# INFINITY GRIHA NIRMAAN PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.01: SHARE CAPITAL</u></b>		
<b>Authorised</b> 50,000 (Previous Year 50,000) Equity Shares of Rs.10/- each	500,000	500,000
<b>Issued, Subscribed &amp; Paid Up</b> 10,000 (Previous Year 10,000) Equity Shares of Rs.10/- each fully paid up.	100,000	100,000
	<b>100,000</b>	<b>100,000</b>
<b>Reconciliation of Share Capital (In Numbers)</b> Shares Outstanding at the Beginning of the Year	10,000	10,000
Shares Outstanding at the Closing of the Year	10,000	10,000
<b>Reconciliation of Share Capital</b> Shares Outstanding at the Beginning of the Year	100,000	100,000
Shares Outstanding at the Closing of the Year	100,000	100,000
<b>Terms/Rights Attached to Shares</b> The Company has only one class of Equity Shares having a Par Value of Rs.10/- per Share. Each Shareholder is eligible for one vote per Share. The Dividend proposed by the Board of Directors is subject to the approval of shareholders. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.		
<b>Equity Shares in Company held by Holding Company</b> Infinity Infotech Parks Limited & its Nominees	10,000	10,000
<b>List of Shareholders Holding more than 5% Shares (In Numbers)</b> Infinity Infotech Parks Limited & its Nominees	10,000	10,000
<b><u>Note 2.02: LONG TERM PROVISIONS</u></b>		
Provision for Employee Benefits	96,086	40,011
	<b>96,086</b>	<b>40,011</b>
<b><u>Note 2.03: OTHER CURRENT LIABILITIES</u></b>		
Advance from Related Party [ Refer Note No. 2.13 ]	225,600,000	95,700,000
Expenses Payable	395,509	798,676
Other Payables	7,234	11,129,479
Statutory Liabilities	80,561	346,328
	<b>226,083,304</b>	<b>107,974,483</b>
<b><u>Note 2.04: SHORT TERM PROVISIONS</u></b>		
Provision for Employee Benefits	41,920	38,194
	<b>41,920</b>	<b>38,194</b>

# INFINITY GRIHA NIRMAAN PRIVATE LIMITED

## Note 2.05: FIXED ASSETS

DESCRIPTION OF ASSETS	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK
	As at 01/04/2013	Additions	Deductions / Adjustments	As at 31/03/2014	Upto 31/03/2013	Additions	Adjustments	Upto 31/03/2014	As at 31/03/2014
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b><u>Tangible Assets</u></b>									
Plant & Machinery	312,200	16,815	-	329,015	23,917	14,829	-	38,746	290,269
	(312,200)	(-)	(-)	(312,200)	(9,088)	(14,829)	(-)	(23,917)	(288,283)
Furniture, Fixtures & Equipments	3,501,629	15,000	-	3,516,629	391,090	263,188	-	654,278	2,862,351
	(3,370,819)	(130,810)	(-)	(3,501,629)	(130,030)	(261,060)	(-)	(391,090)	(3,110,539)
<b>Total</b>	<b>3,813,829</b>	<b>31,815</b>	<b>-</b>	<b>3,845,644</b>	<b>415,007</b>	<b>278,017</b>	<b>-</b>	<b>693,024</b>	<b>3,152,620</b>
	<b>(3,683,019)</b>	<b>(130,810)</b>	<b>(-)</b>	<b>(3,813,829)</b>	<b>(139,118)</b>	<b>(275,889)</b>	<b>(-)</b>	<b>(415,007)</b>	<b>(3,398,822)</b>

Note: Figures in bracket represent previous year's amounts.

# INFINITY GRIHA NIRMAAN PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.06: LONG TERM LOANS &amp; ADVANCES</u></b>		
<b>Unsecured, Considered Good</b>		
Security Deposits	628,500	542,100
	<b>628,500</b>	<b>542,100</b>
<b><u>Note 2.07: OTHER NON CURRENT ASSETS</u></b>		
Preliminary Expenses	38,960	38,960
	<b>38,960</b>	<b>38,960</b>
<b><u>Note 2.08: INVENTORIES</u></b>		
Work - In - Progress		
Building Work In Progress	31,269,619	16,617,115
Pre - Operative Expenses		
Balance Brought Forward	9,417,544	2,064,543
Audit Fee	15,000	15,185
Depreciation	278,017	275,889
Employment Benefit Expenses	1,728,437	1,109,517
Office - Rent, Maintenance, Electricity etc.	1,471,260	1,509,672
Rates & Taxes	3,556,307	697,241
Misc. Expenses	4,385,847	3,745,497
	<b>52,122,031</b>	<b>26,034,659</b>
<b><u>Note 2.09: CASH AND CASH EQUIVALENTS</u></b>		
Cash on Hand	26,225	541
Balance with Banks	135,547	102,330
	<b>161,772</b>	<b>102,871</b>
<b><u>Note 2.10: SHORT TERM LOANS &amp; ADVANCES</u></b>		
Advance to Related Party [ Refer Note No. 2.13]	89,475,000	-
Advances (Recoverable in Cash or in kind or for Value to be received)	1,490,784	1,229,330
Service Tax Receivables	313,007	36,505
Security Deposits	80,361,000	80,361,000
	<b>171,639,791</b>	<b>81,626,835</b>
<b><u>Note 2.11: OTHER CURRENT ASSETS</u></b>		
Prepaid Expenses	24,206	13,266
	<b>24,206</b>	<b>13,266</b>

# INFINITY GRIHA NIRMAAN PRIVATE LIMITED

## **Note 2.12 Contingent Liabilities and Commitments (To the Extent Not Provided For)**

The estimated amount of contracts, net of advances remaining to be executed on capital account as on 31.03.2014 Rs.91,397,653/- (Previous Year Rs.97,906,733/-).

## **Note 2.13: Related Party Disclosures**

### A. Relations

- (i) Holding Company : Infinity Infotech Parks Ltd.  
(Holding 100% equity in the Company)
- (ii) Other/ Associates : Infinity BNKe Infocity Pvt. Ltd.  
: Infinity Townships Pvt. Ltd.  
: Infinity Finance Ltd.  
: Infinity Jaipur Knowledge City Pvt. Ltd.  
: Infinity Knowledge City Pvt. Ltd.  
: Infinity Villa Pvt. Ltd.  
: Brainspace Management & Skill Education Ltd.  
(w.e.f.30.08.2013)  
: Infinity Infrastructure Ltd.
- (iii) Joint Venturer's : Pranami Estates Pvt. Ltd.  
: Pranami Builders Pvt. Ltd.  
: Lohia Holdings Pvt. Ltd.
- (iv) Key Management Personnel : Mr. Piyush Bajoria

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

- B. Transaction carried out with related parties referred in A above, in ordinary course of business:

<b>Related Party</b>	<b>Nature Of Transaction</b>	<b>Transaction During The Year (Rs.)</b>	<b>Balance As on 31-03-2014 (Rs.)</b>
Infinity Infotech Parks Ltd.	Advance – Received	131,200,000	225,600,000
	Advance – Given	(31,600,000) 1,300,000 (-)	(95,700,000)



## INFINITY GRIHA NIRMAAN PRIVATE LIMITED

Infinity Townships Pvt Ltd.	Advance – Received	600,000	
		(-)	
	Advance – Given	90,075,000	89,475,000
		(-)	(-)
Pranami Estates Pvt. Ltd.	Security Deposit	-	70,000,000
	Given	(25,000,000)	(70,000,000)
Pranami Builders Pvt. Ltd.	Security Deposit	-	5,000,000
	Given	(-)	(5,000,000)
Lohia Holdings Pvt. Ltd.	Security Deposit	-	5,000,000
	Given	(-)	(5,000,000)

Note: Figures in bracket represent previous year's amounts.

### **Note 2.14: Other Disclosures**

- i. The disclosure requirements of Accounting Standard- 17 on Segment Reporting; Accounting Standard- 20 on Earnings per Share and Accounting Standard- 22 on Accounting for Taxes on Income are not applicable to the Company as it is yet to start its commercial activities.
- ii. In the opinion of the Management, there is no impairment of the assets to which Accounting Standard– 28 apply requiring any recognition.
- iii. The provisions of Employee's Provident Fund and Miscellaneous Provisions Act, 1952 and The Payment of Gratuity Act, 1972 are not applicable to the Company.
- iv. The Company has entered into development agreement for development of Residential Housing Complex with Pranami Estates Pvt. Ltd., Pranami Builders Pvt. Ltd. & Lohia Holdings Pvt. Ltd. for the 3,440.86 Decimals of land at Village – Pundag, Thana No.228, P.S. Ranchi, Jharkhand, whereby the Company will incur all developmental cost as envisaged in the said agreement and upon completion of construction the company shall be entitled to the 72.50 % of total constructed area. Work-In-Progress pending allocation for the ongoing project amounting to Rs.49,539,410/- (Previous Year Rs.25,575,646/-) includes pre-operative expenses amounting to Rs.19,541,497/- (Previous Year Rs.9,201,544/-). However, the Capital Commitment of the Company in the Project remains unascertained.
- v. The Company has entered into development agreement for development of Commercial & Shopping Complex with Pranami Estates Pvt. Ltd. and Others for the 83 Kottahs, 15 Chittacks and 7 Sq.ft. of land at Village – Ranchi, Ratu Road, P.S. Sukhdev Nagar Thana, Ranchi, Jharkhand, whereby the Company will incur all developmental cost as envisaged in the said

# INFINITY GRIHA NIRMAAN PRIVATE LIMITED

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agreement and upon completion of construction the company shall be entitled to the proportionate of total constructed area including car parking areas. Work-In-Progress pending allocation for the ongoing project amounting to Rs.2,582,621/- (Previous Year Rs.459,013/-) includes pre-operative expenses amounting to Rs.1,310,915/-(Previous Year Rs.216,000/-). However, the Capital Commitment of the Company in the Project remain unascertained.

vi. The Company is yet to start commercial activities and accordingly Statement of Profit & Loss has not been prepared.

vii. Based upon information available with the Company, there is no balance due to Micro and Small Enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006. There is no interest liability either paid or payable under the terms of the said Act.

viii. Figures for the previous year have been regrouped and / or rearranged, wherever necessary.

As per our report of this date attached.

**For R KOTHARI & COMPANY**  
**Chartered Accountants**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**

**Sd/-**  
**P BAJORIA**  
**Director**

**Sd/-**  
**A JALAN**  
**Director**

**Place : Kolkata**

**Dated : the 02<sup>nd</sup> day of September, 2014**

# INFINITY GRIHA NIRMAAN PRIVATE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31.03.2014 Rs.	Year ended 31.03.2013 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Operating Profit before Working Capital Changes	-	-
Adjustment for :		
Work - In - Progress	(25,809,355)	(20,526,354)
Loans & Advances/Other Assets	(90,110,296)	(26,575,601)
Trade/Other Payables	116,010,367	47,162,644
<b>Net Cash from Operating Activities</b>	<b>90,716</b>	<b>60,689</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(31,815)	(130,810)
<b>Net Cash used in Investing Activities</b>	<b>(31,815)</b>	<b>(130,810)</b>
<b>INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>58,901</b>	<b>(70,121)</b>
Cash and Cash Equivalents at the Beginning	102,871	172,992
<b>Cash and Cash Equivalents at the Close</b>	<b>161,772</b>	<b>102,871</b>

This is the cash flow statement referred to in our report on even date

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**P BAJORIA**  
Director

Sd/-  
**A JALAN**  
Director

Place : Kolkata

Dated : the 02nd day of September, 2014

**4th ANNUAL REPORT  
2013 - 2014**

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**DIRECTORS**

**Mr. P Chamaria**

**Mr. G S Bajoria**

**Mr. R Jalan**

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**AUDITORS**

**R Kothari & Company**

**Chartered Accountants**

**16 A, Shakespeare Sarani**

**Kolkata 700071**

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# INFINITY VILLA PRIVATE LIMITED

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## **DIRECTORS' REPORT TO THE MEMBERS**

Your Directors have pleasure in presenting the 4<sup>th</sup> Annual Report together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2014.

### **FINANCIAL RESULTS**

During the year under review the Company has not undertaken any commercial activities. All the expenses incurred upto 31<sup>st</sup> March, 2014 has been transferred to Work-In-Progress pending allocation for the ongoing project amounting to Rs.252,400/- (Previous Year Rs.212,306/-) includes pre-operative expenses amounting to Rs.146,657/- (Previous Year Rs.106,563/-) and therefore no Statement of Profit and Loss has been prepared for the year ended on 31<sup>st</sup> March, 2014.

### **PROJECT AND GENERAL REVIEW**

Your Directors have pleasure in informing you that your Company is working and taking necessary steps for development of Integrated Financial Growth Centre and its supporting infrastructure with M/s. Bengal Orion Financial Hub Ltd. on 10 Acres of land at Rajarhat, New Town, the Kolkata IT Hub, offering complete range of infrastructure facilities such as Office Buildings, Residential Buildings, Hotels, Service Apartments, Retail and Entertainment Centre together with Parking bays as per norms, e.t.c.

### **THE COMPANIES ACT, 2013**

The Ministry of Corporate Affairs (MCA) has notified 282 sections of the Companies Act, 2013 in tranches in September, 2013 and March 2014 with majority of the Sections as well as the rules being notified in March 2014 and made effective from 1st April, 2014. The Companies Act, 1956 continues to be in force to the extent of the corresponding provisions of the new Act which are yet to be notified. MCA vide its circular dated April 4, 2014 has clarified that the Financial statements and documents annexed thereto, auditor's report and board's report in respect of the Financial year that has commenced earlier than April 1, 2014 shall be governed by the provisions of the Companies Act, 1956 and accordingly, the Financial statements and documents annexed thereto, auditor's report and board's report and the attachments thereto have been prepared in accordance with the provisions of the Companies Act, 1956. With respect to the other provisions of the Act, appropriate references have been made in this report to the extent these provisions have become applicable effective April 1, 2014.

# INFINITY VILLA PRIVATE LIMITED

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## **DIRECTORS**

Mr. Gouri Shankar Bajoria, Mr. Rishi Jalan and Mr. Pulak Chamaria constitute the Board of Directors of the Company and there is no change in the composition of the Board of Directors.

Mr. Pulak Chamaria, retires by rotation at the ensuing Annual General Meeting and, being eligible offer himself for re-appointment pursuant to Section 152 of the Companies Act, 2013 and Articles of Association of the Company. The Board of Directors of your Company recommends the re-appointment of the Director at the ensuing Annual General Meeting.

## **DEPOSITS**

Your Company has not accepted any deposits under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance with Section 217(2AA) of the Companies Act, 1956 the Directors, to the best of their knowledge and belief confirm:

1. That for the preparation of the Accounts for the year ended 31<sup>st</sup> March, 2014 the applicable accounting standards have been followed along with a proper explanation relating to material departures.
2. That the Directors have selected such accounting policies as mentioned in Note No. 1 of the Annual Accounts and applied them consistently and made such judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31<sup>st</sup> March, 2014.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2014 on a "going concern basis."

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

As the Company is yet to start operations and there was no scope for undertaking any measures relating to Conservation of Energy and Technology Absorption, the particulars as prescribed under Section 217(1)(e) of the Act, read with Rule 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 concerning Conservation of Energy and Technology Absorption respectively, are not applicable to the Company.

# INFINITY VILLA PRIVATE LIMITED

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During the year under review, there was no foreign exchange earnings and outgo.

## **PARTICULARS OF EMPLOYEES**

The Company has no employee during the year and as such particulars of employees required to be disclosed in terms of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, are not applicable to the Company.

## **AUDITORS' REPORT**

The Notes on Accounts referred to by the Auditors in their Report are self-explanatory and require no further explanation.

## **AUDITORS**

M/s. R Kothari & Company, Chartered Accountants, (Firm Registration No. 307069E) the Statutory Auditors of the Company, retire as Auditors of your Company at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office of Auditors, if re-appointed.

As required under the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the Company has obtained written consent from the Auditors to such re-appointment and also a certificate to the effect that their re-appointment, if made, would be in conformity within the limits specified in Section 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment. The Auditors shall be appointed for a term of five years and shall hold office from the conclusion of the ensuing Annual General Meeting till conclusion of the 9<sup>th</sup> Annual General Meeting of the Company (subject to ratification of their re-appointment at every Annual General Meeting). Your Directors recommended their re-appointment as the Statutory Auditors at the ensuing Annual General Meeting.

## **ACKNOWLEDGEMENT**

Your Directors place on record their sincere appreciation for the valuable contributions and continued co-operations received by the Company from its bankers, other associates of the Company and Statutory Authorities.

## **FOR AND ON BEHALF OF THE BOARD OF DIRECTOR**

Sd/-  
**G S BAJORIA**  
Director

Sd/-  
**R JALAN**  
Director

**Place: Kolkata**

**Dated: The 02<sup>nd</sup> day of September, 2014**

## **INDEPENDENT AUDITORS' REPORT**

**To**

**The Members of**

**INFINITY VILLA PRIVATE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of INFINITY VILLA PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014 and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information. Statement of Profit and Loss has not been prepared as referred to in Point No. iv of Note 2.09 of 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 13th 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.

### **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 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 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.

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, 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 & Regulatory Requirements**

1. The report does not include a statement on the matter specified in paragraph '4' of the Companies (Auditor's Report) Order, 2003 as amended, issued by the Central Government of India in terms of Sub-Section (4A) of Section 227 of the Companies Act, 1956, since in our opinion and according to the information and explanations given to us, the said order is not applicable to the Company.
2. As required by Sub-Section (3) of Section 227 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 account as required by law have been kept by the Company so far as appears from our examination of those books;

- c. The Balance Sheet and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. 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 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
- e. On the basis of written representations received from the directors as on March 31, 2014, 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**  
**(Firm Registration No.307069E)**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner  
**(Membership No.057620)**

**Place : Kolkata**

**Dated : the 02<sup>nd</sup> day of September, 2014**

# INFINITY VILLA PRIVATE LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at 31.03.2014 Rs.		As at 31.03.2013 Rs.	
<b><u>EQUITY AND LIABILITIES</u></b>					
<b>I. SHAREHOLDERS' FUNDS</b>					
Share Capital	2.01		100,000		100,000
<b>II. CURRENT LIABILITIES</b>					
Other Current Liabilities	2.02		110,226,854		150,226,854
			<b>110,326,854</b>		<b>150,326,854</b>
<b><u>ASSETS</u></b>					
<b>I. NON CURRENT ASSETS</b>					
Other Non Current Assets	2.03		38,960		38,960
<b>II. CURRENT ASSETS</b>					
Inventories	2.04	252,400		212,306	
Cash & Cash Equivalents	2.05	35,494		75,588	
Short Term Loans & Advances	2.06	110,000,000		150,000,000	
			110,287,894		150,287,894
			<b>110,326,854</b>		<b>150,326,854</b>

The Accompanying Notes are an Integral Part of the Financial Statements

1 & 2

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**G S BAJORIA**  
Director

Sd/-  
**R JALAN**  
Director

Place : Kolkata

Dated : the 02nd day of September, 2014

## **Note 1: Significant Accounting Policies**

### **A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

- a) The financial statements have been prepared under historical cost accounting, in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956.
- b) The Books of Accounts are maintained on accrual concept, unless stated otherwise.
- c) Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

### **B. REVENUE RECOGNITION**

Revenue from Real Estate Project is recognised upon transfer of all significant risks & rewards of ownership to the buyers, which generally coincide with the firming of the sale agreements and when it is reasonably certain that the ultimate collection will be made and no significant uncertainty exists regarding the amount of consideration.

However, where the Company still has obligation to perform substantial acts even after the transfer of all significant risks and rewards, revenue is recognized on Percentage of Completion Method (POC) when the criteria specified in the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by Institute of Chartered Accountants of India are satisfied. The stage of completion under the POC method is measured on the basis of percentage that actual costs incurred on Real Estate projects including land, construction and development cost bears to the total estimated cost of the project. The estimates of the projected revenues, projected profits, projected costs, costs to completion and the forceable loss are reviewed periodically by the management and any effect of changes in estimates is recognized in the period such changes are determined.

### **C. INVENTORIES**

#### a) WORK IN PROGRESS

The value of Work in Progress is aggregate of construction and Development Expenses, Materials, Borrowing costs, other overheads relating to projects under construction. Work in Progress is valued at cost.

- b) Completed Real Estate Projects are valued at lower of cost or net realizable value.

### **D. MISCELLANEOUS EXPENDITURE**

Preliminary expenses will be written off over a period of five years from the commencement of commercial activities.

## **E. PRE-OPERATIVE EXPENSES**

Pre-operative expenses will be appropriately accounted for after the commencement of commercial activities.

## **F. PROVISIONS & CONTINGENT LIABILITIES**

A provision is recognized when there is a present obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are disclosed after an evaluation of the facts and legal aspects of the matters involved.

## **G. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumption that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

# INFINITY VILLA PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.01: SHARE CAPITAL</u></b>		
<b>Authorised</b> 50,000 (Previous Year 50,000) Equity Shares of Rs.10/- each	500,000	500,000
<b>Issued, Subscribed &amp; Paid Up</b> 10,000 (Previous Year 10,000) Equity Shares of Rs.10/- each fully paid up.	100,000	100,000
	<b>100,000</b>	<b>100,000</b>
<b>Reconciliation of Share Capital (In Numbers)</b> Shares Outstanding at the Beginning of the Year	10,000	10,000
Shares Outstanding at the Closing of the Year	10,000	10,000
<b>Reconciliation of Share Capital</b> Shares Outstanding at the Beginning of the Year	100,000	100,000
Shares Outstanding at the Closing of the Year	100,000	100,000
<b>Terms/Rights Attached to Shares</b> The Company has only one class of Equity Shares having a Par Value of Rs.10/- per Share. Each Shareholder is eligible for one vote per Share. The Dividend proposed by the Board of Directors is subject to the approval of shareholders. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.		
<b>Equity Shares in Company held by Holding Company</b> Infinity Infotech Parks Limited & its Nominees	10,000	10,000
<b>List of Shareholders Holding more than 5% Shares (In Numbers)</b> Infinity Infotech Parks Limited & its Nominees	10,000	10,000
<b><u>Note 2.02: OTHER CURRENT LIABILITIES</u></b>		
Advance from Related Party [ Refer Note No. 2.08 ]	110,210,000	150,210,000
Expenses Payable	16,854	16,854
	<b>110,226,854</b>	<b>150,226,854</b>
<b><u>Note 2.03: OTHER NON CURRENT ASSETS</u></b>		
Preliminary Expenses	38,960	38,960
	<b>38,960</b>	<b>38,960</b>
<b><u>Note 2.04: INVENTORIES</u></b>		
Work - In - Progress		
Building Work In Progress	105,743	105,743
Pre Operative Expenses		
Balance Brought Forward	106,563	63,197
Audit Fees	16,854	17,163
Rates & Taxes	18,100	18,650
Miscellaneous Expenses	5,140	7,553
	<b>252,400</b>	<b>212,306</b>

# INFINITY VILLA PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.05: CASH AND CASH EQUIVALENTS</u></b>		
Cash on Hand	3,990	4,590
Balance with Banks	31,504	70,998
	<b>35,494</b>	<b>75,588</b>
<b><u>Note 2.06: SHORT TERM LOANS &amp; ADVANCES</u></b>		
<b>Unsecured, Considered Good</b>		
Security Deposit	110,000,000	150,000,000
	<b>110,000,000</b>	<b>150,000,000</b>

# INFINITY VILLA PRIVATE LIMITED

## **Note 2.07: Contingent Liabilities and Commitments (To the Extent Not Provided For)**

The estimated amount of contracts, net of advances remaining to be executed on capital account as on 31.03.2014 Rs.428,087/- (Previous Year Rs.428,087/-).

## **Note 2.08: Related Party Disclosures**

### A. Relations

- (i) Holding Company : Infinity Infotech Parks Limited  
(Holding 100% equity in the Company)
- (ii) Other/ Associates : Infinity BNKe Infocity Pvt. Ltd.  
: Infinity Townships Pvt. Ltd.  
: Infinity Finance Ltd.  
: Infinity Jaipur Knowledge City Pvt. Ltd.  
: Infinity Knowledge City Pvt. Ltd.  
: Infinity Griha Nirmaan Pvt. Ltd.  
: Brainspace Management & Skill Education Ltd.  
(w.e.f.30.08.2013)  
: Infinity Infrastructure Ltd.  
: Bhubaneshwar IT Park Projects Pvt. Ltd.  
: Profile Infinity Infrastructures Pvt. Ltd.
- (iii) Joint Venturer's : Bengal Orion Financial Hub Ltd.
- (iv) Key Management Personnel : Mr. G S Bajoria

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

### B. Transaction carried out with related parties referred in A above, in ordinary course of business:

<b>Related Party</b>	<b>Nature Of Transaction</b>	<b>Transaction During The Year</b>	<b>Balance As on 31-03-2014</b>
Infinity Infotech Parks Ltd.	Advance – Given	40,000,000	-
		(-)	(-)
	Advance – Received	-	110,210,000
		(100,000)	(150,210,000)
Bengal Orion Financial Hub Ltd.	Security Deposit	-	110,000,000
	Given	(-)	(150,000,000)
	Security Deposit Refunded	40,000,000	
		(-)	

Note: Figures in bracket represent previous year's amounts.



# INFINITY VILLA PRIVATE LIMITED

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## **Note 2.09: Other Disclosures**

- i. The disclosure requirements of Accounting Standard- 17 on Segment Reporting; Accounting Standard- 20 on Earnings per Share and Accounting Standard- 22 on Accounting for Taxes on Income are not applicable to the Company as it is yet to start its commercial activities. Since the Company is not having any employee the disclosure requirements of Accounting Standard- 15 on Employee Benefits is not applicable.
- ii. Since the Company does not have any Fixed Assets, no disclosure and recognition in this regard has been made as per Accounting Standard- 28.
- iii. The Company has entered into development agreement for development of Integrated Financial Growth Centre and its supporting infrastructure with Bengal Orion Financial Hub Ltd. for the 10 Acres of land at plot No. 1/FH situated in MOUZA-Reckjuani, under Rajarhat No.1 Gram Panchayt, P.S. Rajarhat, A.D.S.R.-Bidhannagar, District-24 Parganas North, whereby the Company will incur all developmental cost as envisaged in the said agreement and upon completion of construction, the Company will entitled to the 70% of the total constructed area. As per Joint Development Agreement executed between the parties, the Company has so far paid Security deposit of Rs.110,000,000/- towards total deposit payable of Rs.300,000,000/-. Work-In-Progress pending allocation for the ongoing project amounting to Rs.252,400/- (Previous Year Rs.212,306/-) includes pre-operative expenses amounting to Rs.146,657/- (Previous Year Rs.106,563/-). However, the Capital Commitment of the Company in the Project remains unascertained.
- iv. The Company is yet to start commercial activities and accordingly Statement of Profit & Loss has not been prepared.
- v. Based upon information available with the Company, there is no balance due to Micro and Small Enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006. There is no interest liability either paid or payable under the terms of the said Act.
- vi. Figures for the previous year have been regrouped and / or rearranged, wherever necessary.

As per our report of this date attached.

**For R KOTHARI & COMPANY**  
**Chartered Accountants**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**

**Sd/-**  
**G S BAJORIA**  
**Director**

**Sd/-**  
**R JALAN**  
**Director**

**Place : Kolkata**

**Dated: the 02<sup>nd</sup> day of September, 2014**

# INFINITY VILLA PRIVATE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31.03.2014 Rs.	Year ended 31.03.2013 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Operating Profit before Working Capital Changes	-	-
Adjustment for :		
Work - In - Progress	(40,094)	(43,366)
Loans and Advances/Other Assets	40,000,000	-
Trade/Other Payables	(40,000,000)	70,309
<b>Net Cash from / (used) in Operating Activities</b>	<b>(40,094)</b>	<b>26,943</b>
<b>INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(40,094)</b>	<b>26,943</b>
Cash and Cash Equivalents at the Beginning	75,588	48,645
<b>Cash and Cash Equivalents at the Close</b>	<b>35,494</b>	<b>75,588</b>

This is the cash flow statement referred to in our report on even date

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**G S BAJORIA**  
Director

Sd/-  
**R JALAN**  
Director

Place : Kolkata

Dated : the 02nd day of September, 2014

**INFINITY INFRASTRUCTURE LTD**  
**Jebel Ali Free Zone**  
**Dubai - U.A.E.**

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**Financial Statements and Reports**  
**31 March 2014**

**Country of Registration:**  
United Arab Emirates

**Office:**  
Jebel Ali Free Zone  
Dubai, United Arab Emirates

**INFINITY INFRASTRUCTURE LTD**  
**Jebel Ali Free Zone**

**Financial Statements and Reports**

**31 March 2014**

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Independent Auditors Report	2
Statement of Profit or Loss and Other Comprehensive Income	3
Statement of Financial Position	4
Statement of Changes in Equity	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 11

## INFINITY INFRASTRUCTURE LTD

### DIRECTORS' REPORT

The directors submit their report and accounts for the year ended 31 March, 2014. We approve the financial statements and confirm that we are responsible for these, including selecting the accounting policies and making the judgments underlying them. We confirm that we have made available all relevant accounting records and information for their compilation.

#### Result and dividends

The loss for the year amounted to AED 9,909/-. In view of accumulated losses the director do not recommend any dividend for the year.

#### Review of the business

The Company is primarily engaged in Investment.

#### Events since the end of the year

There are no significant events since the end of the reporting date.

#### Capital

The authorized, issued and paid up capital of the company is AED 14,000,000/-

#### Shareholders and their interests

The shareholders and their interest in the share capital of the Company as at 31 March 2014 were as follows:

Name	No. of Shares*	Amount AED
Infinity Infotech Parks Limited	14,000	14,000,000

\*face value AED 1,000/- each

#### Independent Auditor

M/s. S.M. JOSHI - Chartered Accountants was appointed auditor for the year ended 31 March 2014 and it is proposed that they be re-appointed for the year ended 31 March 2015.

Director  
May 03, 2014

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF  
INFINITY INFRASTRUCTURE LTD**

We have audited the accompanying Financial Statements of **INFINITY INFRASTRUCTURE LTD** (the Company), which comprise the statement of financial position as at 31<sup>st</sup> March, 2014 and the statement of profit or loss & other comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory notes.

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

Management of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant of the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**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 International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the entity's internal control. An audit also include evaluating the appropriateness of accounting policies used and reasonableness of 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 audit opinion.

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as on 31<sup>st</sup> March, 2014 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.



**S.M. JOSHI**  
Chartered Accountants  
Registration No. 108

Dubai, U.A.E.  
May 06, 2014

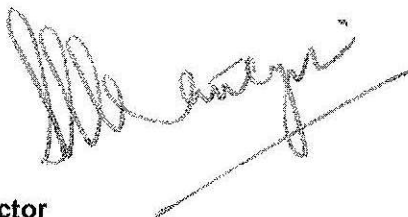
INFINITY INFRASTRUCTURE LTD

Statement of profit or loss and other comprehensive income  
For the year ended 31 March 2014

	Year ended <u>31.03.2014</u> AED	Period ended <u>31.03.2013</u> AED
Revenue	-	-
Legal expenses	(5,000)	(4,950)
Financial charges	(909)	(1,500)
Other expenses	(4,000)	(4,000)
<b>(Loss) for the year</b>	<b><u>(9,909)</u></b>	<b><u>(10,450)</u></b>
Other comprehensive income for the year	-	-
<b>TOTAL COMPREHENSIVE (LOSS) FOR THE YEAR</b>	<b><u>(9,909)</u></b>	<b><u>(10,450)</u></b>

The accompanying notes form an integral part of these financial statements. The report of the independent auditor is set forth on page 2.

FOR INFINITY INFRASTRUCTURE LTD



Director



INFINITY INFRASTRUCTURE LTD

Statement of financial position  
As at 31 March 2014

Notes 31.03.2014 31.03.2013  
AED AED

ASSETS

Non-Current Assets

Investment in associates

5 15,000,000 15,000,000

Current Assets

Cash and cash equivalents

6 55,191 65,100

Total Assets

15,055,191 15,065,100

EQUITY AND LIABILITIES

Shareholders' Funds

Share capital

7 14,000,000 14,000,000

Accumulated (losses)

(48,809) (38,900)

Equity funds

Due from shareholder

8 13,951,191 13,961,100  
(4,170,000) (4,170,000)

Total Shareholders' funds

9,781,191 9,791,100

Non Current Liabilities

- -

Current Liabilities

Trade and other payables

9 5,274,000 5,274,000

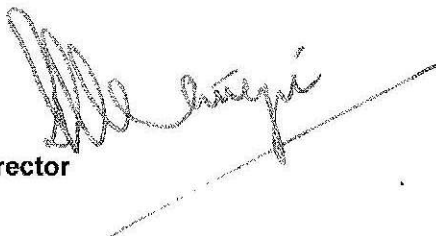
Total Equities and Liabilities

15,055,191 15,065,100

The accompanying notes form an integral part of these financial statements. The report of the independent auditor is set forth on page 2.

FOR INFINITY INFRASTRUCTURE LTD

Director






INFINITY INFRASTRUCTURE LTD

Statement of changes in equity  
For the year ended 31 March 2014

	Share Capital <u>AED</u>	Accumulated (Losses) <u>AED</u>	Total <u>AED</u>
Balance as at 31.03.2012	<u>14,000,000</u>	<u>(28,450)</u>	<u>13,971,550</u>
(Loss) for the year	-	(10,450)	(10,450)
Other comprehensive income	-	-	-
Balance as at 31.03.2013	<u>14,000,000</u>	<u>(38,900)</u>	<u>13,961,100</u>
(Loss) for the year	-	(9,909)	(9,909)
Other comprehensive income	-	-	-
Balance as at 31.03.2014	<u>14,000,000</u>	<u>(48,809)</u>	<u>13,951,191</u>

The accompanying notes form an integral part of these financial statements. The report of the independent auditor is set forth on page 2.



**INFINITY INFRASTRUCTURE LTD**

**Statement of cash flows  
For the year ended 31 March 2014**

	<u>2014</u> <u>AED</u>	<u>2013</u> <u>AED</u>
<b>Cash flows from operating activities</b>		
(Loss) for the year	(9,909)	(10,450)
Add: Adjustment of items not involving the movement of funds	-	-
	<u>(9,909)</u>	<u>(10,450)</u>
(Decrease) in trade and other payables	-	(5,564,000)
Net cash (used in) operating activities	<u>(9,909)</u>	<u>(5,574,450)</u>
<b>Cash from / (used in) investing activities</b>	-	-
<b>Cash from / (used in) financing activities</b>		
Due from shareholder	-	5,560,000
Net cash from financing activities	<u>-</u>	<u>5,560,000</u>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(9,909)</b>	<b>(14,450)</b>
<b>Cash and cash equivalents - Beginning of the year</b>	<b>65,100</b>	<b>79,550</b>
<b>Cash and cash equivalents - End of the year</b>	<u><b>55,191</b></u>	<u><b>65,100</b></u>



# INFINITY INFRASTRUCTURE LTD

## Notes to the financial statements For the year ended 31 March 2014

### 1 Legal Status

**Infinity Infrastructure Limited** is an offshore company registered on 17.06.2010 with the Jebel Ali Free Zone Authority, Dubai, U.A.E.

The Company is a wholly owned subsidiary of **Infinity Infotech Parks Limited**, a company incorporated in India.

### 2 Business Activity

The Company is primarily engaged in Investment.

### 3 Principal Accounting Policies

#### 3.1 Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Financial Reporting Standards Committee ("IFRSC"), interpretations issued by the Standing Interpretations Committee of IFRSC and the requirement of the Commercial Law of the U.A.E.

#### 3.2 Basis of preparation

These financial statements have been prepared on the historical cost accounting rules. The Accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

#### 3.3. Adoption of new International Financial Reporting Standards

##### **Standards and interpretations effective for the current year**

The following International Financial Reporting Standards, amendments thereto and Interpretations that became effective for the current reporting period and which are applicable to the company are as follows. Their adoption has resulted in presentation and disclosure changes only:

(i) *Presentation of items in Other Comprehensive Income: Amendments to IAS1: (1 July 2012)*

The Company has applied the amendments to IAS 1 presentation of items of Other Comprehensive Income for the first time in the current year. The amendments introduce new terminology, whose use is not mandatory, for the statement of comprehensive income and income statement. Under the amendments to IAS 1, the 'Statement of Comprehensive Income' is renamed as the 'Statement of Profit or Loss and Other Comprehensive Income' (and the 'Income Statement' is renamed as the 'Statement of Profit or Loss'). The amendments to IAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to IAS 1 require items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are made. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendment to IAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

(ii) *IFRS13: Fair Value Measurement: (1 January 2013)*

IFRS13 establishes a single framework for measuring fair value and is applicable for both financial and non-financial items.

# INFINITY INFRASTRUCTURE LTD

## Notes to the financial statements For the year ended 31 March 2014

### New and revised IFRSs issued but not yet effective

The following International Financial Reporting Standards, amendments, thereto and Interpretations that are assessed by management is likely to have an impact on the financial statements have been issued by the IASB prior to the date the financial statements were authorised for issue but have not been applied in these financial statements as their effective dates of adoption are for future accounting periods.

(i) *IFRS9: Financial instruments; (1 January 2015)*

IFRS9 requires financial assets to be classified into two measurement categories: those measured at the fair value and those measured at amortised cost. The determination is made at initial recognition. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the profit or loss, unless this creates an accounting mismatch.

(ii) *Amendments to IAS19: Employee benefits; (1 July 2013)*

These amendments eliminate the corridor approach and require the entity to recognize the changes in defined benefits plan obligations and plan assets when they occur.

(iii) *Offsetting Financial Assets and Liabilities: Amendments to IAS32; (1 January 2014)*

The amendments to IAS32 clarify existing application issues relating to the offset of financial assets and liabilities.

### 3.4 Functional and presentation currency

The financial statements are presented in UAE Dirhams ("AED") which is also the Company's functional currency.

### 3.5 Investments

Investments is made in shares of associate company only and is stated at cost.

### 3.6 Cash and cash equivalents

Cash and cash equivalents comprise cash and balance in bank current account.

### 3.7 Trade and other payables

Liabilities are recognized for amounts to be paid for goods or services received, irrespective of whether invoiced by the supplier.

### 3.8 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

### 3.9 Revenue

Company has not earned any revenue during the year.

### 3.10 Leases

Leases under which substantially all the risks and rewards of ownership of the related assets remain with the lessor are classified as operating leases and the lease payments are charged to statement of profit or loss on a straight-line basis over the period of the lease.



# INFINITY INFRASTRUCTURE LTD

## Notes to the financial statements For the year ended 31 March 2014

### 3.11 Foreign currency transactions

Transactions in foreign currencies are translated to U.A.E. Dirhams at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to U.A.E. Dirhams at exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of comprehensive income.

### 3.12 Financial instruments

Financial assets and financial liabilities are recognized when, and only when, the Company becomes a party to the contractual provisions of the instrument.

Financial assets are de-recognized when, and only when, the contractual rights to receive cash flows expire or when substantially all the risks and rewards of ownership have been transferred.

Financial liabilities are de-recognized when, and only when, they are extinguished, cancelled or expired.

### 3.13 Hedging

There are no hedging transactions undertaken by the Company.

## 4 **Significant judgments employed in applying accounting policies**

In the process of applying the company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect in the amounts recognized in the financial statements:

### **Impairment of financial assets**

The carrying amount of the assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets recoverable amount is estimated. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount. If this is below the carrying amount, a provision is made in the income statement.

### **Investment in unquoted equity shares**

Investment in unquoted equity shares are stated at cost less impairment losses as the management is of the opinion that the use of valuation techniques would yield a significant range of value estimates and the probability of estimates within the range cannot be reasonably assessed.

	<u>31.03.2014</u> <u>AED</u>	<u>31.03.2013</u> <u>AED</u>
<b>5 Investment in associates</b>		
(unquoted)		
Investment in shares: (at cost)		
15,000 shares (face value AED 1,000 each) of IKC Holdings Ltd	<u>15,000,000</u>	<u>15,000,000</u>
<b>6 Cash and cash equivalents</b>		
Cash in hand	55,100	65,100
Cash at bank in current account	91	-
	<u>55,191</u>	<u>65,100</u>



## INFINITY INFRASTRUCTURE LTD

Notes to the financial statements  
For the year ended 31 March 2014

31.03.2014      31.03.2013  
AED                      AED

<b>7 Share capital</b>		
<b>Issued, subscribed and paid up:</b>		
14,000 shares of AED 1,000/- each	<u>14,000,000</u>	<u>14,000,000</u>
<b>8 Due from shareholder</b>		
Infinity Infotech Parks Ltd	<u>4,170,000</u>	<u>4,170,000</u>
<b>9 Trade and other payables</b>		
IKC Holdings Ltd	5,270,000	5,270,000
Accruals and provisions	4,000	4,000
	<u>5,274,000</u>	<u>5,274,000</u>

### 10 Financial instruments

The management conducts and operates the business in a prudent manner, taking into account the significant risks to which the business is or could be exposed.

The primary risks to which the business is exposed, which are unchanged from the previous year, comprise credit risks, liquidity risks and market risks (including currency risks, cash flow interest rate risks and fair value interest rate risks).

Credit risk is managed by assessing the creditworthiness of potential customers and the potential for exposure to the market in which they operate, combined with regular monitoring and follow-up.

Management continuously monitors its cash flows to determine its cash requirements in order to manage exposure to liquidity risk.

The company transact in foreign currencies. Exposure is minimised where possible by denominating such transactions in US dollars to which the UAE Dirham is pegged.

Exposure to the aforementioned risks are detailed below:

#### **Credit risk**

Financial assets that potentially expose the Company to concentrations of credit risk comprise principally bank accounts and trade and other receivables. The Company's bank accounts are placed with high credit quality financial institutions.

At the reporting date, there is no significant concentration of credit risk from trade receivables.

#### **Currency risk**

There are no significant currency risks as substantially all financial assets and financial liabilities are denominated in UAE Dirhams.

#### **Interest rate risk**

The Company has not borrowed any interest bearing fund during the year. Due from shareholders are not subject to any interest.

#### **Fair values**

Fair value represents the amount at which an asset could be exchanged, or a liability settled, in an arm's length transaction. In respect of all Company's financial assets and liabilities, in the opinion of the management, the book value approximates to their carrying value i.e. market exist price.

# INFINITY INFRASTRUCTURE LTD

## Notes to the financial statements For the year ended 31 March 2014

### 11 Related party transactions

The Company has, in the ordinary course of business, entered into financial transactions with concerns which fall within the definition of "related parties" as contained in IAS 24. The management believes that the terms of such transactions are not materially different from those that could have been obtained from the unrelated parties.

Related parties comprise companies under common ownership & common management control and shareholders.

At the reporting date balances with related parties were as follows:

	<u>31.03.2014</u>	<u>31.03.2013</u>
	<u>AED</u>	<u>AED</u>
Investment in associates (separately shown in statement of financial position)	15,000,000	15,000,000
Due from shareholder (separately shown in statement of financial position)	4,170,000	4,170,000
Due to related parties (Included in the trade and other payable)	5,270,000	5,270,000

### 12 Commitments for expenditure

There are no commitments for acquisition of property, plant & equipment, to contribute funds for the acquisition of property, plant & equipment, to provide loans and others.

### 13 Events after the reporting period

No significant event has occurred from the reporting date till the date of Auditors' Report.

### 14 Financial instruments: Recognition & measurement

The account receivable and advances are for business and carry same values as stated in the financial statements.

### 15 Contingent liabilities

There was no contingent liability of a significant amount outstanding at the reporting date.

### 16 Comparative figures

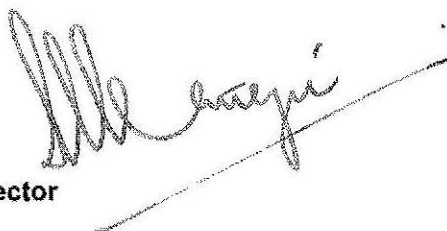
Previous year's figures are regrouped / rearranged wherever considered necessary.

### 17 Approval of financial statements

The financial statements were approved by the director for issue on May 04, 2014.

FOR INFINITY INFRASTRUCTURE LTD

Director



**3<sup>rd</sup> ANNUAL REPORT  
2013 - 2014**

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**DIRECTORS**

**Mr. A Jalan**

**Mr. C S Ray**

**Mr. M Agarwal**

**Mr. K S Mahawar**

**Mr. D Singh**

**AUDITORS**

**R Kothari & Company**

**Chartered Accountants**

**16A Shakespeare Sarani**

**Kolkata 700071**

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**Cash Flow Statement**



**DIRECTORS' REPORT TO THE MEMBERS**

Your Directors have pleasure in presenting the 3<sup>rd</sup> Annual Report together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2014.

**FINANCIAL RESULTS AND GENERAL REVIEW**

During the year under review the Company has not undertaken any commercial activities. All the expenses incurred upto 31<sup>st</sup> March, 2014 has been transferred to pre-operative expenses amounting to Rs.728,254/- (Previous Year Rs.706,046/-) and therefore no Statement of Profit and Loss has been prepared for the year ended on 31<sup>st</sup> March, 2014.

**THE COMPANIES ACT, 2013**

The Ministry of Corporate Affairs (MCA) has notified 282 sections of the Companies Act, 2013 in tranches in September, 2013 and March 2014 with majority of the Sections as well as the rules being notified in March 2014 and made effective from 1st April, 2014. The Companies Act, 1956 continues to be in force to the extent of the corresponding provisions of the new Act which are yet to be notified. MCA vide its circular dated April 4, 2014 has clarified that the Financial statements and documents annexed thereto, auditor's report and board's report in respect of the Financial year that has commenced earlier than April 1, 2014 shall be governed by the provisions of the Companies Act, 1956 and accordingly, the Financial statements and documents annexed thereto, auditor's report and board's report and the attachments thereto have been prepared in accordance with the provisions of the Companies Act, 1956. With respect to the other provisions of the Act, appropriate references have been made in this report to the extent these provisions have become applicable effective April 1, 2014.

**DIRECTORS**

During, the year under review, Mr. Mayank Anchalia resigned as a Director of the Company with effect from 07<sup>th</sup> March, 2014. The Board place on record its high appreciation and gratitude for the valuable services rendered by him during his tenure as a Director of the Company.

Mr. Ajay Kumar Jalan , Mr. Chandra Shekhar Ray and Mr. Mukesh Kumar Agrawal were appointed as Additional Directors of the Company with effect from 24<sup>th</sup> February, 2014 in terms of Section 161 of the Companies Act, 2013 and they holds office only upto the date of ensuing Annual General Meeting. The Company has received requisite notices in writing from a member proposing their name for the office of Directors.

Mr. Deepak Kumar Singh, retires by rotation at the ensuing Annual General Meeting and, being eligible offer himself for re-appointment pursuant to Section 152 of the Companies Act, 2013 and Articles of Association of the Company.

The Board of Directors of your Company recommends the appointment/re-appointment of the above Directors at the ensuing Annual General Meeting.

### **DEPOSITS**

Your Company has not accepted any deposits under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance with Section 217(2AA) of the Companies Act, 1956 the Directors, to the best of their knowledge and belief confirm:

1. That for the preparation of the Accounts for the year ended 31<sup>st</sup> March, 2014 the applicable accounting standards have been followed along with a proper explanation relating to material departures.
2. That the Directors have selected such accounting policies as mentioned in Note No. 1 of the Annual Accounts and applied them consistently and made such judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31<sup>st</sup> March, 2014.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2014 on a "going concern basis."

### **SECRETARIAL COMPLIANCE CERTIFICATE**

Pursuant to Section 383A of the Companies Act, 1956, inserted by the Companies (Amendment) Act, 2000, the Compliance Certificate from a Secretary in practice for the year ended 31<sup>st</sup> March, 2014 is annexed herewith and forms part of this report.

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

As the Company is yet to start operations and in view of the nature of activities which are carried on by the Company, the particulars as prescribed under Section 217(1)(e) of the Act, read with Rule 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, concerning Conservation of Energy and Technology Absorption respectively, are not applicable to the Company.

During the year under review, there was no foreign exchange earnings and outgo.

### **PARTICULARS OF EMPLOYEES**

The Company has no employee during the year and as such particulars of employees required to be disclosed in terms of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, are not applicable to the Company.

### **AUDITORS' REPORT**

The Notes on Accounts referred to by the Auditors in their Report are self-explanatory and require no further explanation.

### **AUDITORS**

M/s. R Kothari & Company, Chartered Accountants, (Firm Registration No. 307069E) the Statutory Auditors of the Company, retire as Auditors of your Company at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office of Auditors, if re-appointed.

As required under the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the Company has obtained written consent from the Auditors to such re-appointment and also a certificate to the effect that their re-appointment, if made, would be in conformity within the limits specified in Section 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment. The Auditors shall be appointed for a term of five years and shall hold office from the conclusion of the ensuing Annual General Meeting till conclusion of the 8<sup>th</sup> Annual General Meeting of the Company (subject to ratification of their re-appointment at every Annual General Meeting). Your Directors recommended their re-appointment as the Statutory Auditors at the ensuing Annual General Meeting.

### **ACKNOWLEDGEMENT**

Your Directors place on record their sincere appreciation for the valuable contributions and continued co-operations received by the Company from its bankers, other associates of the Company and Statutory Authorities.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-

Sd/-

**A JALAN**  
Director

**C S RAY**  
Director

**Place: Kolkata**

**Dated: The 02<sup>nd</sup> day of September, 2014**

## COMPLIANCE CERTIFICATE

To,  
The Members  
**M/S BRAINSPACE MANAGEMENT AND SKILL EDUCATION LIMITED.**  
4AA, LAKE PLACE,  
KOLKATA- 700029  
CIN No. of the Company: U80903WB2012PLC173999  
Registration No. of the Company: 21-173999

Nominal Capital: Rs.. 100,000,000/-

Paid up Capital: Rs. 40,300,000/-

Subscribed Capital: Rs.. . 40,300,000/-

We have examined the Registers, Records, Books and Papers of **M/S BRAINSPACE MANAGEMENT AND SKILL EDUCATION LIMITED** as required to be maintained under the Companies Act, 1956 and the rules made there under and also the provisions contained in the Memorandum & Articles of Association of the Company for the financial year ended 31<sup>st</sup> March, 2014. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all Registers as stated in Annexure - 'A' to this Certificate, as per the provisions of the Act and the rules made thereunder and all entries therein 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 within the time prescribed under the Act and the rules made there under.
3. The Company being a Public Limited Company, comments related to its maximum number of members, invitation to public to subscribe for its shares or debentures, or acceptance of deposits from persons other than its members, Directors or their relative, are not required.
4. The Board of Directors duly met 05 (Five) times respectively on 31.05.2013, 18.07.2013, 30.08.2013, 20.11.2013, and 28.02.2014 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 was not required to close its Register of Members during the financial year under review
6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March, 2013 was held on 02<sup>nd</sup> day of August, 2013 after giving due notices to the members of the Company and the resolutions passed there at were duly recorded in Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year.

8. The Company has not advanced any loans to its directors or persons or firms or companies 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 Companies Act, 1956.
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 Central Government.
12. The Company has not issued any duplicate Share Certificates during the financial year.
13.
  - i) The Company has duly made the transfer of shares during the year under review.
  - ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
  - iii) The Company was not required to post warrants to any member of the company as no dividend was declared during the financial year.
  - iv) The Company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. The appointment of additional Directors and Resignation of Director have been duly made under the provisions of the Companies Act, 1956.
15. The Company has not appointed any Managing Director / Whole-time Director / Manager during the financial year under the provisions of Section 269 of the Act.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such Authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other Firms / Companies to the Board of Directors pursuant to the Provisions of the Act and the rules made thereunder.
19. The Company has not issued any Shares/ debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company did not have any preference shares or Debentures during the financial year.
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 deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The Company has not made any borrowings during Financial Year ended 31<sup>st</sup> March, 2014

25. The Company has not made loans or advances or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Companies Act, 1956.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association under the provisions of the Companies Act, 1956.
31. There were no prosecutions initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial period, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. As the Company does not have any employee, the question of receiving any money from them does not arise.

Place : Kolkata

Date : 02.09.2014

**S R & ASSOCIATES**

**Sd/-**

**PARTNER**

**FCS No. 7040**

**C P No.: 7741**

ANNEXURE - 'A'

REGISTERS AS MAINTAINED BY THE COMPANY

<u>Sl.No.</u>	<u>PARTICULARS</u>	<u>SECTION</u>
01.	Register of Members & Index of Members	150
02.	Register of Directors	303
03.	Register of Directors Shareholding	307
04.	Register of Particulars of Contracts in which Directors are interested	301
05.	Register of Transfers	108
06.	Members Minutes Book	193
07.	Director's Minutes Book	193
08.	Books of Accounts	209
10.	Returns etc.	163

ANNEXURE - 'B'

**Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other Authorities during the Financial year ending 31<sup>st</sup> March, 2014:**

Sl No.	Form No/ Return	Filed Under Section	Date of Filing	Whether filed within prescribed time YES/NO	If delay in filing whether requisite additional fees paid YES/NO
1.	Form 23AC & ACA	220	29.08.2013	YES	--
2.	Form 66	383A	29.08.2013	YES	--
3.	Form 20B	159	06.09.2013	YES	--
4.	Form 22B	187C	29.03.2014	YES	--
5.	Form 32	260	03.03.2014	YES	--
6.	Form 32		07.03.2014	YES	

\*\*\*\*\*

## **INDEPENDENT AUDITORS' REPORT**

**To**

**The Members of**

**BRAINSPACE MANAGEMENT AND SKILL EDUCATION LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of BRAINSPACE MANAGEMENT AND SKILL EDUCATION LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014 and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information. Statement of Profit and Loss has not been prepared as referred to in Point No. iii of Note 2.09 of 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 13th 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.

### **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 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 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.

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, 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 & 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 Sub-Section (3) of Section 227 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 account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

- d. 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 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
- e. On the basis of written representations received from the directors as on March 31, 2014, 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**  
**(Firm Registration No.307069E)**

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**  
**(Membership No.057620)**

**Place : Kolkata**

**Dated : the 02<sup>nd</sup> day of September, 2014**

## **ANNEXURE TO INDEPENDENT AUDITORS REPORT**

### **Referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirement” of our report of even date**

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:-

- i. The Company does not have any fixed assets, so the provision of clause (a) to (c) are not applicable to the Company;
- ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year;  
(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to size of the Company and the nature of its business;  
(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification;
- iii. (a) According to the information and explanation given to us, the Company during the year 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;  
(b) According to the information and explanation given to us, the Company has not taken any loan, secured or unsecured from Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956;
- iv. In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the company and the nature of its business. During the course of our audit, no major persistent weakness has been noticed in the internal control;
- v. (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered;  
(b) In our opinion and according to the information, explanations and representation given to us, no transactions have been made during the year in pursuance of contracts or arrangements entered in the registers maintained under Section 301 and exceeding the value of five lakh rupees in respect of any party;

- vi. The Company has, during the year, not accepted any deposit from the public;
- vii. The Company is yet to introduce a system of Internal Audit. The management of the Company is of view that considering the volume & nature of transactions at present, the formal introduction of Internal Audit system is not necessary and it shall be introduced in due course;
- viii. According to the information and explanations given by the Management and to the best of our knowledge, maintenance of Cost Records as prescribed by Central Government under section 209(1)(d) of the Companies Act, 1956 are not applicable to the Company;
- ix. (a) According to the records of the Company, it has generally been regular in depositing undisputed statutory dues including service tax, income tax and other statutory dues as applicable to it and no undisputed statutory dues were outstanding as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they became payable;
- (b) There is no disputed dues on account of service tax, income tax and other statutory dues not paid by the Company;
- x. The Company is yet to start commercial activities and accordingly Statement of Profit & Loss has not been prepared. Therefore, the provision of this clause is not applicable to the Company;
- xi. As per information and explanations given to us, the Company has no dues to any financial institution or bank or debenture holders;
- xii. As explained to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities;
- xiii. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provision of this clause is not applicable to the Company;
- xiv. In our opinion, the Company has maintained proper records of transactions and contracts relating to dealing or trading in shares, securities, debentures and other investments during the year and timely entries have been made therein. Further, such securities have been held by the Company in its own name except exemption provided u/s. 49 of the Companies Act, 1956;
- xv. According to the information and explanations given to us and the representation made by the management, the Company has not given any guarantee for loans taken by others from banks or financial institutions;

- xvi. As the Company does not have any term loan, so the provision of this clause is not applicable to the Company;
- xvii. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we are of the opinion that, prima facie no funds raised on short term basis have been used for long-term purposes;
- xviii. We report that the Company, during the year, 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. According to the information and explanations given to us, the Company has not issued any debentures;
- xx. The Company has not raised any money by public issue during the year under report;
- xxi. According to the information and explanations given by the Management, and to the best of our knowledge and belief, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

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

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**  
**(Membership No.057620)**

**Place : Kolkata**

**Dated : the 02<sup>nd</sup> day of September, 2014**

# BRAINSPACE MANAGEMENT AND SKILL EDUCATION LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at 31.03.2014 Rs.		As at 31.03.2013 Rs.	
<b><u>EQUITY AND LIABILITIES</u></b>					
<b>I. SHAREHOLDERS' FUNDS</b>					
Share Capital	2.01	40,300,000		40,300,000	
Reserves & Surplus	2.02	59,700,000		59,700,000	
			100,000,000		100,000,000
<b>II. CURRENT LIABILITIES</b>					
Other Current Liabilities	2.03	5,715,056		35,230	
			5,715,056		35,230
			<b>105,715,056</b>		<b>100,035,230</b>
<b><u>ASSETS</u></b>					
<b>I. NON CURRENT ASSETS</b>					
Long Term Loans & Advances	2.04	104,400,000		89,000,000	
Other Non Current Assets	2.05	728,254		706,046	
			105,128,254		89,706,046
<b>II. CURRENT ASSETS</b>					
Cash & Cash Equivalents	2.06	286,802		329,184	
Short Term Loans & Advances	2.07	300,000		10,000,000	
			586,802		10,329,184
			<b>105,715,056</b>		<b>100,035,230</b>

The Accompanying Notes are an Integral Part of the Financial Statements

1 & 2

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**A JALAN**  
Director

Sd/-  
**C S RAY**  
Director

Place : Kolkata

Dated : the 02nd day of September, 2014

## **Note 1: Significant Accounting Policies**

### **A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

- a) The financial statements have been prepared under historical cost accounting, in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956.
- b) The Books of Accounts are maintained on accrual concept, unless stated otherwise.
- c) Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

### **B. MISCELLANEOUS EXPENDITURE**

Preliminary expenses will be written off over a period of five years from the commencement of commercial activities.

### **C. PRE-OPERATIVE EXPENSES**

Pre-operative expenses will be appropriately accounted for after the commencement of commercial activities.

### **D. PROVISIONS & CONTINGENT LIABILITIES**

A provision is recognized when there is a present obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are disclosed after an evaluation of the facts and legal aspects of the matters involved.

### **E. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumption that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

# BRAINSPACE MANAGEMENT AND SKILL EDUCATION LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.01: SHARE CAPITAL</u></b>		
<b>Authorised</b> 10,000,000 (Previous Year 10,000,000) Equity Shares of Rs.10/- each	100,000,000	100,000,000
<b>Issued, Subscribed &amp; Paid Up</b> 4,030,000 (Previous Year 4,030,000) Equity Shares of Rs.10/- each fully paid up.	40,300,000	40,300,000
	<b>40,300,000</b>	<b>40,300,000</b>
<b>Reconciliation of Share Capital (In Numbers)</b> Shares Outstanding at the Beginning of the Year	4,030,000	4,030,000
Shares Outstanding at the Closing of the Year	4,030,000	4,030,000
<b>Reconciliation of Share Capital</b> Shares Outstanding at the Beginning of the Year	40,300,000	40,300,000
Shares Outstanding at the Closing of the Year	40,300,000	40,300,000
<b>Terms/Rights Attached to Shares</b> The Company has only one class of Equity Shares having a Par Value of Rs.10/- per Share. Each Shareholder is eligible for one vote per Share. The Dividend proposed by the Board of Directors is subject to the approval of shareholders. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.		
<b>Equity Shares in Company held by Holding Company</b> Infinity Infinity Infotech Parks Limited and its nominees	4,030,000	-
<b>List of Shareholders Holding more than 5% Shares (In Numbers)</b> Infinity Infotech Parks Limited & its Nominees Blueview Commodities Private Limited Concord Infracon Private Limited Futuresoft Suppliers Private Limited Newzone Dealer Private Limited & its nominees	4,030,000 - - - -	- 1,012,500 1,000,000 1,012,400 1,004,500
<b><u>Note 2.02: RESERVES &amp; SURPLUS</u></b>		
<b>Securities Premium Account</b> Opening Balance	59,700,000	59,700,000
Closing Balance	<b>59,700,000</b>	<b>59,700,000</b>
<b><u>Note 2.03: OTHER CURRENT LIABILITIES</u></b>		
Other Payable	5,700,000	-
Liabilities For Expenses	15,056	35,230
	<b>5,715,056</b>	<b>35,230</b>
<b><u>Note 2.04: LONG TERM LOANS &amp; ADVANCES</u></b>		
<b>Unsecured, Considered Good</b> Loans & Advances (Recoverable in Cash or in kind or for Value to be received)	104,400,000	89,000,000
	<b>104,400,000</b>	<b>89,000,000</b>



# BRAINSPACE MANAGEMENT AND SKILL EDUCATION LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.05: OTHER NON CURRENT ASSETS</u></b>		
Preliminary Expenses	643,005	643,005
Peoperative Expenses		
Balance Brought Forward	63,041	37,228
Audit Fees	11,236	11,236
Bank Charges	2,663	955
Filing Fee	3,000	6,500
General Expenses	-	678
Professional Fee	2,809	2,809
Rates & Taxes	2,500	2,500
Printing & Stationery	-	1,135
	85,249	63,041
	<b>728,254</b>	<b>706,046</b>
<b><u>Note 2.06: CASH AND CASH EQUIVALENTS</u></b>		
Cash on Hand	101,260	85,542
Balance with Banks	185,542	243,642
	<b>286,802</b>	<b>329,184</b>
<b><u>Note 2.07: SHORT TERM LOANS &amp; ADVANCES</u></b>		
<b>Unsecured, Considered Good</b>		
Loans & Advances (Recoverable in Cash or in kind or for Value to be received)	300,000	10,000,000
	<b>300,000</b>	<b>10,000,000</b>

# BRAINSPACE MANAGEMENT AND SKILL EDUCATION LIMITED

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## **Note 2.08: Related Party Disclosures**

### A. Relations

- (i) Holding Company : Infinity Infotech Parks Limited (w.e.f.30.08.2014)  
(Holding 100% equity in the Company w.e.f.26.02.2014)
- (ii) Other/ Associates : Infinity BNKe Infocity Pvt. Ltd.  
: Infinity Townships Pvt. Ltd.  
: Infinity Finance Ltd.  
: Infinity Jaipur Knowledge City Pvt. Ltd.  
: Infinity Knowledge City Pvt. Ltd.  
: Infinity Griha Nirmaan Pvt. Ltd.  
: Infinity Villa Pvt.Ltd.  
: Infinity Infrastructure Ltd.
- (iii) Key Management Personnel : Mr. A Jalan

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

### B. Transaction carried out with related parties referred in A above, in ordinary course of business:

<b>Related Party</b>	<b>Nature Of Transaction</b>	<b>Transaction During The Year</b>	<b>Balance As on 31-03-2014</b>
Infinity Infotech Parks Ltd.	Advance – Given	12,500,000	-
		(-)	(-)
	Advance – Received	12,500,000	
		(-)	

Note: Figures in bracket represent previous year's amounts.

## **Note 2.09: Other Disclosures**

- i. The disclosure requirements of Accounting Standard- 17 on Segment Reporting; Accounting Standard- 20 on Earnings per Share and Accounting Standard- 22 on Accounting for Taxes on Income are not applicable to the Company as it is yet to start its commercial activities. Since the Company is not having any employee the disclosure requirements of Accounting Standard- 15 on Employee Benefits is not applicable.
- ii. Since the Company does not have any Fixed Assets, no disclosure and recognition in this regard has been made as per Accounting Standard- 28.

## BRAINSPACE MANAGEMENT AND SKILL EDUCATION LIMITED

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- iii. The Company is yet to start commercial activities and accordingly Statement of Profit & Loss has not been prepared. Expenses incurred up to 31.03.2014 amounting to Rs.728,254/- (Previous Year Rs.706,046/-) has been transferred to Pre-Operative Expenses as per Note No.2.05.
- iv. Based upon information available with the Company, there is no balance due to Micro and Small Enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006. There is no interest liability either paid or payable under the terms of the said Act.
- v. Figures for the previous year have been regrouped and / or rearranged, wherever necessary.

As per our report of this date attached.

**For R KOTHARI & COMPANY**  
**Chartered Accountants**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**

**Sd/-**  
**A JALAN**  
**Director**

**Sd/-**  
**C S RAY**  
**Director**

**Place : Kolkata**

**Dated: the 02<sup>nd</sup> day of September, 2014**

# BRAINSPACE MANAGEMENT AND SKILL EDUCATION LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31.03.2014 Rs.	Year ended 31.03.2013 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Operating Profit before Working Capital Changes	-	-
Adjustment for :		
Loans and Advances/Other Assets	(5,722,208)	(25,813)
Trade/Other Payables	5,679,826	(332,330)
<b>Net Cash used in Operating Activities</b>	<b>(42,382)</b>	<b>(358,143)</b>
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(42,382)</b>	<b>(358,143)</b>
Cash and Cash Equivalents at the Beginning	329,184	687,327
<b>Cash and Cash Equivalents at the Close</b>	<b>286,802</b>	<b>329,184</b>

This is the cash flow statement referred to in our report on even date

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**A JALAN**  
Director

Sd/-  
**C S RAY**  
Director

Place : Kolkata

Dated : the 02nd day of September, 2014

# 7th ANNUAL REPORT 2013 - 2014

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## DIRECTORS

Mr. G S Bajoria

Mr. P Kedia

Mr. P Bajoria

## AUDITORS

**R Kothari & Company**  
Chartered Accountants  
16A, Shakespeare Sarani  
Kolkata 700071

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Balance Sheet  
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# INFINITY HOUSING PROJECTS PRIVATE LIMITED

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## **DIRECTORS' REPORT TO THE MEMBERS**

Your Directors have pleasure in presenting the 7<sup>th</sup> Annual Report together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2014.

### **FINANCIAL RESULTS AND GENERAL REVIEW**

The Company is in the process of developing a residential housing complex at Guwahati, Assam. All the expenses incurred upto 31<sup>st</sup> March, 2014 has been transferred to Work-In-Progress pending allocation for the ongoing project amounting to Rs.6,258,621/- (Previous Year Rs. 4,628,263/-) includes pre-operative expenses amounting to Rs.4,253,139/- (Previous Year Rs. 4,177,609/-) and therefore no Statement of Profit and Loss has been prepared for the year ended on 31<sup>st</sup> March, 2014.

### **THE COMPANIES ACT, 2013**

The Ministry of Corporate Affairs (MCA) has notified 282 sections of the Companies Act, 2013 in tranches in September, 2013 and March 2014 with majority of the Sections as well as the rules being notified in March 2014 and made effective from 1st April, 2014. The Companies Act, 1956 continues to be in force to the extent of the corresponding provisions of the new Act which are yet to be notified. MCA vide its circular dated April 4, 2014 has clarified that the Financial statements and documents annexed thereto, auditor's report and board's report in respect of the Financial year that has commenced earlier than April 1, 2014 shall be governed by the provisions of the Companies Act, 1956 and accordingly, the Financial statements and documents annexed thereto, auditor's report and board's report and the attachments thereto have been prepared in accordance with the provisions of the Companies Act, 1956. With respect to the other provisions of the Act, appropriate references have been made in this report to the extent these provisions have become applicable effective April 1, 2014.

### **DIRECTORS**

Mr. Gouri Shankar Bajoria, Mr. Piyush Kedia and Mr. Piyush Bajoria constitute the Board of Directors of the Company and there is no change in the composition of the Board of Directors.

Mr. Piyush Bajoria, retires by rotation at the ensuing Annual General Meeting and, being eligible offer himself for re-appointment pursuant to Section 152 of the Companies Act, 2013 and Articles of Association of the Company. The Board of Directors of your Company recommends the re-appointment of the Director at the ensuing Annual General Meeting.

# INFINITY HOUSING PROJECTS PRIVATE LIMITED

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## **DEPOSITS**

Your Company has not accepted any deposits under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance with Section 217(2AA) of the Companies Act, 1956 the Directors, to the best of their knowledge and belief confirm:

1. That for the preparation of the Accounts for the year ended 31<sup>st</sup> March, 2014 the applicable accounting standards have been followed along with a proper explanation relating to material departures.
2. That the Directors have selected such accounting policies as mentioned in Note No. 1 of the Annual Accounts and applied them consistently and made such judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31<sup>st</sup> March, 2014.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2014 on a "going concern basis."

## **SECRETARIAL COMPLIANCE CERTIFICATE**

Pursuant to Section 383A of the Companies Act, 1956, inserted by the Companies (Amendment) Act, 2000, the Compliance Certificate from a Secretary in practice for the year ended 31<sup>st</sup> March, 2014 is annexed herewith and forms part of this report.

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

As the Company is yet to start operations and in view of the nature of activities which are carried on by the Company, the particulars as prescribed under Section 217(1)(e) of the Act, read with Rule 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 concerning Conservation of Energy and Technology Absorption respectively, are not applicable to the Company.

During the year under review, there was no foreign exchange earnings and outgo.

## **PARTICULARS OF EMPLOYEES**

The Company has no employee during the year and as such particulars of employees required to be disclosed in terms of Section 217(2A) of the Companies Act, 1956 read with

# INFINITY HOUSING PROJECTS PRIVATE LIMITED

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the Companies (Particulars of Employees) Rules, 1975, as amended, are not applicable to the Company.

## **AUDITORS' REPORT**

The Notes on Accounts referred to by the Auditors in their Report are self-explanatory and require no further explanation.

## **AUDITORS**

M/s. R Kothari & Company, Chartered Accountants, (Firm Registration No. 307069E) the Statutory Auditors of the Company, retire as Auditors of your Company at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office of Auditors, if re-appointed.

As required under the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the Company has obtained written consent from the Auditors to such re-appointment and also a certificate to the effect that their re-appointment, if made, would be in conformity within the limits specified in Section 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment. The Auditors shall be appointed for a term of five years and shall hold office from the conclusion of the ensuing Annual General Meeting till conclusion of the 12<sup>th</sup> Annual General Meeting of the Company (subject to ratification of their re-appointment at every Annual General Meeting). Your Directors recommended their re-appointment as the Statutory Auditors at the ensuing Annual General Meeting.

## **ACKNOWLEDGEMENT**

Your Directors place on record their sincere appreciation for the valuable contributions and continued co-operations received by the Company from its bankers, other associates of the Company and Statutory Authorities.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-**  
**G S BAJORIA**  
**Director**

**Sd/-**  
**P KEDIA**  
**Director**

**Place: Kolkata**

**Dated: The 01<sup>st</sup> day of September, 2014**



**COMPLIANCE CERTIFICATE**

(In Terms Of Section 383A (1) Of The Companies Act, 1956 and Rule 3(1) of the  
Companies (Compliance Certificate) Rules, 2001)

Registration No. of the Company: 21 – 120840  
CIN No. of the Company: U70100WB2007PTC120840  
Nominal Capital: Rs. 1,00,00,000/-  
Paid up Capital: Rs. 1,00,00,000/-

To,  
The Members,  
**M/s. INFINITY HOUSING PROJECTS PRIVATE LIMITED**  
**(Subsidiary of a Public Limited Company)**  
Plot -A3, Block-GP, Sector-V,  
Salt Lake Electronic Complex  
Kolkata - 700091

We have examined the registers, records, books and papers of **M/s. INFINITY HOUSING PROJECTS PRIVATE LIMITED** (“the Company”) as required to be maintained under the Companies Act, 1956 (“the Act”) and the rules made thereunder and also the provisions contained in the Memorandum & Articles of Association of the Company for the financial year ended 31st March, 2014 (“financial year”). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure - `A' to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure - `B' to this certificate, with the Ministry of Corporate Affairs (Registrar of Companies), Regional Director, Central Government, Company Law Board or other Authorities within the time prescribed under the Act and the rules made there under.
3. The Company, being a Subsidiary of a Public Limited Company under section 4(1)(c), the restrictive clauses as provided in Section 3(1)(iii) are not applicable.
4. The Meeting of the Board of Directors of the Company duly held 4 (Four) times respectively on 27.06.2013, 26.09.2013, 19.12.2013 and 22.03.2014 in respect of which meetings, proper notices were given and the proceedings were properly signed and recorded in the Minutes Book maintained for the purpose.

5. The Company was not required to close its Register of Members during the financial year under review.
6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March, 2013 was held on 1<sup>st</sup> August, 2013 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. The Company has not convened any Extra-Ordinary General Meeting during this financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies 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 as required to be 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 Central Government.
12. The Company has not issued any duplicate Share Certificates during the financial year.
13.
  - i) There was no allotment / transfer / transmission of securities during the financial year.
  - ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
  - iii) The Company was not required to post warrants to any member of the company as no dividend was declared during the financial year.
  - iv) The Company was not required to transfer any amount to Investor Education and Protection Fund during the financial year.
  - v) The Company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of Additional Directors, Alternate Directors and Directors to fill casual vacancy have been made during the financial year under the provisions of the Companies Act, 1956.

15. The Company has not appointed any Managing Director / Whole-time Director / Manager during the financial year
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and /or such Authorities prescribed under the various provisions of the Act during the financial Year.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the Provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares / debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any Preference Shares or Debentures, hence the redemption of the same during the financial year does not arise.
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 deposits including any unsecured loans falling within the purview of Section 58A and 58AA read with Companies (Acceptance of Deposit ) Rules, 1975, during the financial year.
24. The Company has not made any borrowings during the financial year 31<sup>st</sup> March, 2014.
25. The Company has not made any loans and investments, or given any guarantees or provided securities to other bodies corporate during the financial year.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.

28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was / were no prosecutions initiated against or show cause notices received by the Company for alleged offences under the Act and no fines and penalties or any other punishment was imposed on the company during the financial year for offences under the Act.
32. As the Company does not have any employees, hence it has not received any money as security from employees in terms of Section 417(1) of the Act during the financial year.
33. As the Company has no employees, the provisions of Section 418 of the Act are not applicable, consequently it was not required to deduct any contribution towards the Provident Fund during the financial year.

**Place: Kolkata**  
**Date: 01<sup>st</sup> September, 2014**

**Signature:**  
**For S. R. Associates**  
**(Company Secretaries)**

**Sd/-**  
**Geeta Shukla**  
**Partner**  
**(C.P. 7741)**

**ANNEXURE - 'A'**

**STATUTORY REGISTERS AS MAINTAINED BY THE COMPANY**

1.	Minutes Book of the Meetings of the Board of Directors of the Company	U/s 193
2.	Minutes Book of General Body Meetings of the Members of the Company	U/s 193
3.	Register of Members	U/s 150
4.	Register of Transfers	U/s 108
5.	Register of particulars of Contracts, Companies and firms in which Directors are interested	U/s 301
6.	Register of Directors, Managing Director, Manager and Secretary	U/s 303
7.	Register of Directors Shareholding	U/s 307
8.	Books of Accounts	U/s 209
9.	Returns	U/s 163
10.	Register of Directors and Shareholders Attendance	---

**ANNEXURE - 'B'**

**Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other Authorities during the financial year ending 31<sup>st</sup> March, 2014 :**

<b>Form No/ Return</b>	<b>Filed Under Section</b>	<b>For</b>	<b>SRN No.</b>	<b>Date of Filing</b>	<b>Whether filed within prescribed time YES/NO</b>	<b>If delay in filing whether requisite additional fees paid YES/NO</b>
Form 66	383(A) & Rule 3(2)	Compliance Certificate in respect of financial year 2012-13	Q09993064	09/08/2013	YES	NO
Form 23AC/ACA	220	Balance Sheet and Profit & Loss A/c. in respect of financial year 2012-13	Q10073567	13/08/2013	YES	NO
Form 20B	159	Annual Return made upto 01/08/2013	Q11348125	18/09/2013	YES	NO

## **INDEPENDENT AUDITORS' REPORT**

**To**

**The Members of**

**INFINITY HOUSING PROJECTS PRIVATE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of INFINITY HOUSING PROJECTS PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014 and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information. Statement of Profit and Loss has not been prepared as referred to in Point No.iv of Note 2.11 of 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 13th 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.

### **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 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 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.

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, 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 & 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 Sub-Section (3) of Section 227 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 account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. The Balance Sheet and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. 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 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
- e. On the basis of written representations received from the directors as on March 31, 2014, 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**  
**(Firm Registration No.307069E)**

**Sd/**  
**KAILASH CHANDRA SONI**  
**Partner**  
**(Membership No.057620)**

**Place : Kolkata**

**Dated : The 01<sup>st</sup> day of September, 2014**



## **ANNEXURE TO INDEPENDENT AUDITORS REPORT**

### **Referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirement” of our report of even date**

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:-

- i. The Company does not have any fixed assets, so the provision of clause (a) to (c) are not applicable to the Company;
- ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year;  
(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to size of the Company and the nature of its business;  
(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification;
- iii. (a) According to the information and explanation given to us, the Company during the year 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;  
(b) According to the information and explanation given to us, the Company has not taken any loan, secured or unsecured from Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956;
- iv. In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the company and the nature of its business. During the course of our audit, no major persistent weakness has been noticed in the internal control;
- v. (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered;  
(b) In our opinion and according to the information, explanations and representation given to us, no transactions have been made during the year in pursuance of contracts or arrangements entered in the registers maintained under Section 301 and exceeding the value of five lakh rupees in respect of any party;

- vi. The Company has, during the year, not accepted any deposit from the public;
- vii. The Company is yet to introduce a system of Internal Audit. The management of the Company is of view that considering the volume & nature of transactions at present, the formal introduction of Internal Audit system is not necessary and it shall be introduced in due course;
- viii. According to the information and explanations given by the Management and to the best of our knowledge, maintenance of Cost Records as prescribed by Central Government under section 209(1)(d) of the Companies Act, 1956 are not applicable to the Company;
- ix. (a) According to the records of the Company, it has generally been regular in depositing undisputed statutory dues including service tax, income tax and other statutory dues as applicable to it and no undisputed statutory dues were outstanding as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they became payable;
- (b) There is no disputed dues on account of service tax, income tax and other statutory dues not paid by the Company;
- x. The Company is yet to start commercial activities and accordingly Statement of Profit & Loss has not been prepared. Therefore, the provision of this clause is not applicable to the Company;
- xi. As per information and explanations given to us, the Company has no dues to any financial institution or bank or debenture holders;
- xii. As explained to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities;
- xiii. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provision of this clause is not applicable to the Company;
- xiv. In our opinion, the Company has maintained proper records of transactions and contracts relating to dealing or trading in shares, securities, debentures and other investments during the year and timely entries have been made therein. Further, such securities have been held by the Company in its own name except exemption provided u/s. 49 of the Companies Act, 1956;
- xv. According to the information and explanations given to us and the representation made by the management, the Company has not given any guarantee for loans taken by others from banks or financial institutions;

- xvi. As the Company does not have any term loan, so the provision of this clause is not applicable to the Company;
- xvii. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we are of the opinion that, prima facie no funds raised on short term basis have been used for long-term purposes;
- xviii. We report that the Company, during the year, 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. According to the information and explanations given to us, the Company has not issued any debentures;
- xx. The Company has not raised any money by public issue during the year under report;
- xxi. According to the information and explanations given by the Management, and to the best of our knowledge and belief, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

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

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**  
**(Membership No.057620)**

**Place : Kolkata**

**Dated : The 01<sup>st</sup> day of September, 2014**

# INFINITY HOUSING PROJECTS PRIVATE LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at 31.03.2014 Rs.		As at 31.03.2013 Rs.	
<b><u>EQUITY AND LIABILITIES</u></b>					
<b>I. SHAREHOLDERS' FUNDS</b>					
Share Capital	2.01	10,000,000		10,000,000	
Reserves & Surplus	2.02	291,793,750		291,793,750	
			301,793,750		301,793,750
<b>II. CURRENT LIABILITIES</b>					
Trade Payables		1,399,345		-	
Other Current Liabilities	2.03	51,033,146		121,054,919	
			52,432,491		121,054,919
			<b>354,226,241</b>		<b>422,848,669</b>
<b><u>ASSETS</u></b>					
<b>I. NON CURRENT ASSETS</b>					
Non Current Investments	2.04	23,540,000		38,540,000	
Other Non Current Assets	2.05	174,668		174,668	
			23,714,668		38,714,668
<b>II. CURRENT ASSETS</b>					
Inventories	2.06	93,408,621		91,778,263	
Cash & Cash Equivalents	2.07	74,233		320,772	
Short Term Loans & Advances	2.08	237,028,719		292,034,966	
			330,511,573		384,134,001
			<b>354,226,241</b>		<b>422,848,669</b>

The Accompanying Notes are an Integral Part of the Financial Statements

1 & 2

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**G S BAJORIA**  
Director

Sd/-  
**P KEDIA**  
Director

Place : Kolkata  
Dated : The 01st day of September, 2014

## **Note 1: Significant Accounting Policies**

### **A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

- a) The financial statements have been prepared under historical cost accounting, in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956.
- b) The Books of Accounts are maintained on accrual concept, unless stated otherwise.
- c) Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

### **B. REVENUE RECOGNITION**

Revenue from Real Estate Project is recognised upon transfer of all significant risks & rewards of ownership to the buyers, which generally coincide with the firming of the sale agreements and when it is reasonably certain that the ultimate collection will be made and no significant uncertainty exists regarding the amount of consideration.

However, where the Company still has obligation to perform substantial acts even after the transfer of all significant risks and rewards, revenue is recognized on Percentage of Completion Method (POC) when the criteria specified in the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by Institute of Chartered Accountants of India are satisfied. The stage of completion under the POC method is measured on the basis of percentage that actual costs incurred on Real Estate projects including land, construction and development cost bears to the total estimated cost of the project. The estimates of the projected revenues, projected profits, projected costs, costs to completion and the forceable loss are reviewed periodically by the management and any effect of changes in estimates is recognized in the period such changes are determined.

Dividend Income is recognised when right to receive is established.

### **C. INVESTMENTS**

Long Term Investments are stated at cost. Provision for diminution is made when such diminution is considered other than temporary in nature.

### **D. INVENTORIES**

#### **a) WORK IN PROGRESS**

The value of Work in Progress is aggregate of construction and Development Expenses, Materials, Borrowing costs, other overheads relating to projects under construction. Work in Progress is valued at cost.

- b) Completed Real Estate Projects are valued at lower of cost or net realizable value.

# INFINITY HOUSING PROJECTS PRIVATE LIMITED

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c) Stocks in Shares are valued at cost or market value/fair value which ever is lower.

## **E. BORROWING COST**

Borrowing cost attributable to the construction of qualifying assets as defined in Accounting Standard - 16 on Borrowing Cost, are capitalized as part of the cost of construction. Other borrowing cost is expensed as incurred.

## **F. MISCELLANEOUS EXPENDITURE**

Preliminary expenses will be written off over a period of five years from the commencement of commercial activities.

## **G. PRE-OPERATIVE EXPENSES**

Pre-operative expenses will be appropriately accounted for after the commencement of commercial activities.

## **H. PROVISIONS & CONTINGENT LIABILITIES**

A provision is recognized when there is a present obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are disclosed after an evaluation of the facts and legal aspects of the matters involved.

## **I. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumption that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

# INFINITY HOUSING PROJECTS PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.01: SHARE CAPITAL</u></b>		
<b>Authorised</b> 1,000,000 (Previous Year 1,000,000) Equity Shares of Rs.10/- each	10,000,000	10,000,000
<b>Issued, Subscribed &amp; Paid Up</b> 1,000,000 (Previous Year 1,000,000) Equity Shares of Rs.10/- each fully paid up.	10,000,000	10,000,000
	<b>10,000,000</b>	<b>10,000,000</b>
<b>Reconciliation of Share Capital (In Numbers)</b> Shares Outstanding at the Beginning of the Year	1,000,000	1,000,000
Shares Outstanding at the Closing of the Year	1,000,000	1,000,000
<b>Reconciliation of Share Capital</b> Shares Outstanding at the Beginning of the Year	10,000,000	10,000,000
Shares Outstanding at the Closing of the Year	10,000,000	10,000,000
<b>Terms/Rights Attached to Shares</b> The Company has only one class of Equity Shares having a Par Value of Rs.10/- per Share. Each Shareholder is eligible for one vote per Share. The Dividend proposed by the Board of Directors is subject to the approval of shareholders. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.		
<b>Equity Shares in Company held by Holding Company</b> Infinity Townships Private Limited & its Nominees	1,000,000	1,000,000
<b>List of Shareholders Holding more than 5% Shares (In Numbers)</b> Infinity Townships Private Limited & its Nominees	1,000,000	1,000,000
<b><u>Note 2.02: RESERVES &amp; SURPLUS</u></b>		
<b>Securities Premium Account</b> Opening Balance	291,793,750	291,793,750
Closing Balance	<b>291,793,750</b>	<b>291,793,750</b>
<b><u>Note 2.03: OTHER CURRENT LIABILITIES</u></b>		
Advance from Related Party [ Refer Note No. 2.10 ]	51,000,000	121,000,000
Expenses Payable	24,719	54,919
Statutory Liabilities	8,427	-
	<b>51,033,146</b>	<b>121,054,919</b>
<b><u>Note 2.04: NON CURRENT INVESTMENTS</u></b>		
<b>Investment in Equity Instruments - At Cost (Trade, Unquoted, Fully Paid Up)</b>		
<b>In Other Companies</b> Forum Retail & Entertainment Pvt. Ltd. [ 235,400 (Previous Year 235,400) Equity Shares of Rs.10/- each ].	23,540,000	23,540,000
Impression Distributors Pvt. Ltd. [ NIL (Previous Year 10,000) Equity Shares of Rs.10/- each ].	-	5,000,000
Kalanidhi Commercial Pvt. Ltd. [ NIL (Previous Year 40,000) Equity Shares of Rs.10/- each ].	-	10,000,000
	<b>23,540,000</b>	<b>38,540,000</b>

# INFINITY HOUSING PROJECTS PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.05: OTHER NON CURRENT ASSETS</u></b>		
Preliminary Expenses	174,668	174,668
	<b>174,668</b>	<b>174,668</b>
<b><u>Note 2.06: INVENTORIES</u></b>		
Stock - In - Trade [ Valued at Cost or Market Price whichever is lower ].	87,150,000	87,150,000
	87,150,000	87,150,000
Work - In - Progress		
Building Work In Progress	2,005,482	450,654
Pre - Operative Expenses		
Balance Brought Forward	4,177,609	3,371,082
Audit Fees	22,472	22,472
Rates & Taxes	19,035	737,200
Miscellaneous Expenses	34,024	46,855
	6,258,621	4,628,263
	<b>93,408,621</b>	<b>91,778,263</b>
<b><u>Note 2.07: CASH AND CASH EQUIVALENTS</u></b>		
Cash on Hand	6,675	11,810
Balance with Banks	67,558	308,962
	<b>74,233</b>	<b>320,772</b>
<b><u>Note 2.08: SHORT TERM LOANS &amp; ADVANCES</u></b>		
<b>Unsecured, Considered Good</b>		
Loans & Advances (Recoverable in Cash or in kind or for Value to be received)	204,528,719	259,528,719
Advance Tax including Tax Deduction at Source	-	6,247
Security Deposits	32,500,000	32,500,000
	<b>237,028,719</b>	<b>292,034,966</b>



# INFINITY HOUSING PROJECTS PRIVATE LIMITED

## **Note 2.09: Contingent Liabilities and Commitments (To the Extent Not Provided For)**

The estimated amount of contracts, net of advances remaining to be executed on capital account as on 31.03.2014 Rs.68,025,841/- (Previous Year Rs.68,057,132/-).

## **Note 2.10: Related Party Disclosures**

### A. Relations

- (i) Holding Company : Infinity Infotech Parks Limited  
(Holding 100% equity in the Holding Company)  
: Infinity Townships Pvt. Ltd.  
(Holding 100% equity in the Company)
- (ii) Other/ Associates : Trisakti Infradev Pvt. Ltd.(up to 25.02.2014)  
: Bhubaneshwar IT Park Projects Pvt. Ltd.  
: Profile Infinity Infrastructure Pvt. Ltd.
- (iii) Joint Venture : B. K. Planners Pvt. Ltd.
- (iii) Key Management Personnel : Mr. G S Bajoria

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

### B. Transaction carried out with related parties referred in A above, in ordinary course of business:

<b>Related Party</b>	<b>Nature of Transaction</b>	<b>Transaction During The Year</b>	<b>Balance As on 31-03-2014</b>
Infinity Infotech Parks Ltd.	Advance – Received	163,500,000 (121,000,000)	51,000,000 (121,000,000)
	Advance-Given	233,500,000 (-)	
Infinity Townships Pvt. Ltd.	Advance – Received	1,000 (221,800,000)	(-) (-)
	– Given	1,000 (221,800,000)	

# INFINITY HOUSING PROJECTS PRIVATE LIMITED

B. K. Planners Pvt. Ltd.	Security Deposit		
	– Received	-	
		(350,000)	
	– Given	-	32,500,000
		(-)	(32,500,000)

Note: Figures in bracket represent previous year's amounts.

## **Note 2.11: Other Disclosures**

- i. The disclosure requirements of Accounting Standard- 17 on Segment Reporting, Accounting Standard- 20 on Earnings per Share and Accounting Standard- 22 on Accounting for Taxes on Income are not applicable to the Company as it is yet to start its commercial activities. Since the Company is not having any employee the disclosure requirements of Accounting Standard– 15 on Employee Benefit is not applicable.
- ii. Since the Company does not have any Fixed Assets, no disclosure and recognition in this regard has been made as per Accounting Standard- 28.
- iii. The Company has entered into development agreement for development of Modern Housing Complex with B. K. Planners Pvt. Ltd. for the 60 Bighas, 1 Cottah of land at Village – Dharapur, Town Guwahati, District Kamrup, Assam, whereby the Company will incur all developmental cost as envisaged in the said agreement and upon completion of construction the company shall be entitled to the 76% of total constructed area. Work-In-Progress pending allocation for the ongoing project amounting to Rs.6,258,621/- (Previous Year Rs. 4,628,263/) includes pre-operative expenses amounting to Rs.4,253,139/- (Previous Year Rs. 4,177,609/). However, the Capital Commitment of the Company in the Project remains unascertained.
- iv. The Company is yet to start commercial activities and accordingly Statement of Profit & Loss has not been prepared.
- v. Based upon information available with the Company, there is no balance due to Micro and Small Enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006. There is no interest liability either paid or payable under the terms of the said Act.

# INFINITY HOUSING PROJECTS PRIVATE LIMITED

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vi. Figures for the previous year have been regrouped and / or rearranged, wherever necessary.

As per our report of this date attached.

**For R KOTHARI & COMPANY**  
**Chartered Accountants**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**

**Sd/-**  
**G S BAJORIA**  
**Director**

**Sd/-**  
**P KEDIA**  
**Director**

**Place : Kolkata**

**Dated: The 01<sup>st</sup> day of September, 2014**

# INFINITY HOUSING PROJECTS PRIVATE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31.03.2014 Rs.	Year ended 31.03.2013 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Operating Profit before Working Capital Changes	-	-
Adjustment for :		
Loans and Advances/Other Assets	55,006,247	(120,550,000)
Work - In - Progress	(1,630,358)	(806,527)
Trade/Other Payables	(68,622,428)	120,026,200
<b>Net Cash used in Operating Activities</b>	<b>(15,246,539)</b>	<b>(1,330,327)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Investments	15,000,000	-
<b>Net Cash from Investing Activities</b>	<b>15,000,000</b>	<b>-</b>
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(246,539)</b>	<b>(1,330,327)</b>
Cash and Cash Equivalents at the Beginning	320,772	1,651,099
<b>Cash and Cash Equivalents at the Close</b>	<b>74,233</b>	<b>320,772</b>

This is the cash flow statement referred to in our report on even date

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**G S BAJORIA**  
Director

Sd/-  
**P KEDIA**  
Director

Place : Kolkata

Dated : The 01st day of September, 2014

**4th ANNUAL REPORT  
2013 - 2014**

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**DIRECTORS**

**Mr. P Kedia**

**Mr. R Jalan**

**Mr. S Kalbalia**

**AUDITORS**

**R Kothari & Company**

**Chartered Accountants**

**16A, Shakespeare Sarani**

**Kolkata 700071**

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# INFINITY ASHIANA PRIVATE LIMITED

Reg Off: INFINITY PLOT A3 BLOCK-GP, SALLAKE SECTOR V KOLKATA-700091

Phone No: 033 23573686 Fax No: 033 23572917

Cin No: U70109WB2011PTC159414

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## **DIRECTORS' REPORT TO THE MEMBERS**

Your Directors have pleasure in presenting the 4<sup>th</sup> Annual Report together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2014.

### **FINANCIAL RESULTS**

During the year under review the Company has not undertaken any operational activities. All the expenses incurred upto 31<sup>st</sup> March, 2014 has been transferred to Work-In-Progress pending allocation for the ongoing project amounting to Rs. 6,010,489/- (Previous Year Rs. 2,222,786/-) includes Pre-Operative expenses amounting to Rs. 670,029/- (Previous Year Rs. 262,948/-) and therefore no Statement of Profit and Loss has been prepared for the year ended on 31<sup>st</sup> March, 2014.

### **THE COMPANIES ACT, 2013**

The Ministry of Corporate Affairs (MCA) has notified 282 sections of the Companies Act, 2013 in tranches in September, 2013 and March 2014 with majority of the Sections as well as the rules being notified in March 2014 and made effective from 1st April, 2014. The Companies Act, 1956 continues to be in force to the extent of the corresponding provisions of the new Act which are yet to be notified. MCA vide its circular dated April 4, 2014 has clarified that the Financial statements and documents annexed thereto, auditor's report and board's report in respect of the Financial year that has commenced earlier than April 1, 2014 shall be governed by the provisions of the Companies Act, 1956 and accordingly, the Financial statements and documents annexed thereto, auditor's report and board's report and the attachments thereto have been prepared in accordance with the provisions of the Companies Act, 1956. With respect to the other provisions of the Act, appropriate references have been made in this report to the extent these provisions have become applicable effective April 1, 2014.

### **DIRECTORS**

During, the year under review, Mr. Gouri Shankar Bajoria resigned as a Director of the Company with effect from 30th December, 2013. The Board place on record its high appreciation and gratitude for the valuable services rendered by him during their tenure as Director of the Company.

Mr. Satish Kumar Kalbalia was appointed as an Additional Director of the Company with effect from 30th December, 2013 in terms of Section 161 of the Companies Act, 2013 and he holds office only upto the date of ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing his name for the office of Director.

# INFINITY ASHIANA PRIVATE LIMITED

Reg Off: INFINITY PLOT A3 BLOCK-GP, SALLAKE SECTOR V KOLKATA-700091

Phone No: 033 23573686 Fax No: 033 23572917

Cin No: U70109WB2011PTC159414

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Mr. Piyush Kedia, retires by rotation at the ensuing Annual General Meeting and, being eligible offer himself for re-appointment pursuant to Section 152 of the Companies Act, 2013 and Articles of Association of the Company.

The Board of Directors of your Company recommends the appointment/re-appointment of all the above Directors at the ensuing Annual General Meeting.

## **DEPOSITS**

Your Company has not accepted any deposits under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance with Section 217(2AA) of the Companies Act, 1956 the Directors, to the best of their knowledge and belief confirm:

1. That for the preparation of the Accounts for the year ended 31<sup>st</sup> March, 2014 the applicable accounting standards have been followed along with a proper explanation relating to material departures.
2. That the Directors have selected such accounting policies as mentioned in Note No. 1 of the Annual Accounts and applied them consistently and made such judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31<sup>st</sup> March, 2014.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2014 on a "going concern basis."

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

As the Company is yet to start operations and in view of the nature of activities which are carried on by the Company, the particulars as prescribed under Section 217(1)(e) of the Act, read with Rule 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, concerning Conservation of Energy and Technology Absorption respectively, are not applicable to the Company.

During the year under review, there was no foreign exchange earnings and outgo.

# INFINITY ASHIANA PRIVATE LIMITED

Reg Off: INFINITY PLOT A3 BLOCK-GP, SALLAKE SECTOR V KOLKATA-700091

Phone No: 033 23573686 Fax No: 033 23572917

Cin No: U70109WB2011PTC159414

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## **PARTICULARS OF EMPLOYEES**

During the year under review, none of the employees were employed at a remuneration exceeding the amount as specified u/s 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended.

## **AUDITORS' REPORT**

The Notes on Accounts referred to by the Auditors in their Report are self-explanatory and require no further explanation.

## **AUDITORS**

M/s. R Kothari & Company, Chartered Accountants, (Firm Registration No. 307069E) the Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

As required under the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the Company has obtained written consent from the Auditors to such re-appointment and also a certificate to the effect that their re-appointment, if made, would be in conformity within the limits specified in the said Section and that they are not disqualified for re-appointment pursuant to Section 141 of the Companies Act, 2013. The Auditors shall be appointed for a term of five years and shall hold office from the conclusion of the ensuing Annual General Meeting till conclusion of the 9th Annual General Meeting of the Company (subject to ratification of their appointment at every Annual General Meeting).

## **ACKNOWLEDGEMENT**

Your Directors place on record their sincere appreciation for the valuable contributions and continued co-operations received by the Company from its bankers, other associates of the Company and Statutory Authorities.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-**  
**R JALAN**  
**Director**

**Sd/-**  
**P KEDIA**  
**Director**

**Place: Kolkata**

**Date: the 01<sup>st</sup> day of September, 2014**



## **INDEPENDENT AUDITORS' REPORT**

**To**

**The Members of**

**INFINITY ASHIANA PRIVATE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **INFINITY ASHIANA PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March , 2014 and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information. Statement of Profit and Loss has not been prepared as referred to in Point No.C of Note 2.11 of 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 13th 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.

### **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 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 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 the 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.

### **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 31<sup>st</sup> March, 2014;
- (b) in the case of the Cash Flow Statement, of the cash flows of the Company 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 in terms of Section 227(4A) 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 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 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 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
- (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

**For R. KOTHARI & COMPANY**  
**Chartered Accountants**  
**(Firm Registration No. 307069E)**

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**  
**(Membership No. 057620)**

**Place: Kolkata.**

**Date: the 01<sup>st</sup> day of September, 2014**

## **ANNEXURE TO INDEPENDENT AUDITORS REPORT**

### **Referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirement” of our report of even date**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i) In respect of its fixed assets:
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b) As explained to us, all the fixed assets have been physically verified by the management during the year and in our opinion, the frequency of such verification is reasonable. No material discrepancies were noticed on such verification.
  - c) In our opinion, the company has not disposed off any substantial part of its fixed asset, which could affect the going concern status of the company.
- ii)
  - a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - c) The company is maintaining proper records of inventory. There were no discrepancies noticed on verification between the physical stocks and the book records.
- iii) The Company had neither taken nor granted any loan, secured or unsecured, from firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. So, accordingly the provisions of Clause 4(iii) (a) to (g) of the Order are not applicable to the Company;
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system;
- v)
  - a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered;
  - b) In our opinion and according to the information, explanations and representation given to us, no transactions have been made during the year in pursuance of contracts or arrangements entered in the registers maintained under Section 301 and exceeding the value of five lakh rupees in respect of any party;
- vi) The Company has not accepted any deposits from the public during the year hence the directives issued by the Reserve Bank of India and provisions of

Sections 58A , 58AA or any other relevant provision of the Companies Act, 1956 and the rules framed there under are not applicable to the Company;

- vii) In our opinion, the Company's present own internal check system is commensurate with its size and nature of business;
- viii) The Central Government has not prescribed maintenance of any cost records under section 209(1) (d) of the Companies Act, 1956;
- ix) In respects of Statutory dues:
  - a) According to the information and explanations given to us and on the basis of examination of the books of account, the Company has been generally regular in depositing undisputed statutory dues including Income Tax, Wealth Tax, Service Tax and other statutory dues with the appropriate authorities during the year and no amount payable in respect of above for a period of more than six months from the date they became payable;
  - b) According to the information and explanations given to us no undisputed amount payable in respect of income tax, cess etc. were in arrears as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they become payable;
  - c) According to the information and explanations given to us, there are no dues of income tax, cess etc which have not deposited on account of any dispute;
- x) The Company is yet to start commercial activities and accordingly Statement of Profit & Loss has not been prepared. Therefore, the provision of clause 4(x) of the Order is not applicable to the Company;
- xi) In our opinion and according to the information and explanations given to us, the Company has no dues to any financial institution, bank or debenture holders;
- xii) In our opinion, the Company has not granted any 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 provision of clause 4(xiii) of the Order is not applicable to the Company;
- xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the provision of clause 4(xiv) of the Order is not applicable to the Company;
- xv) According to the information and explanations given to us and on the basis of examination of the books of account, the Company has not given guarantee for loans taken by others from Banks or financial institutions;
- xvi) According to the information and explanations given to us, on an overall basis, the Company has not applied for term loan. Accordingly, the provision of clause 4(xvi) of the Order is not applicable to the Company;
- xvii) According to the information and explanations given to us, on an overall examination of the financial statements of the Company, we report that no

funds raised on short term basis have, prima facie, been used for long term investment;

- xviii) According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956;
- xix) According to the information and explanations given to us, during the period covered by our audit, the Company has not issued any debentures;
- xx) According to the information and explanations given to us, the Company has not raised any money by public issue during the year under review;
- xxi) According to the information and explanations given by the Management, and to the best of our knowledge and belief, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For R. KOTHARI & COMPANY**

**Chartered Accountants  
(Firm Reg. No. 307069E)**

**Place: Kolkata**

**Date: the 01<sup>st</sup> day of September, 2014**

**Sd/-**

**KAILASH CHANDRA SONI**

*Partner*

**(Membership No. 057620)**

# INFINITY ASHIANA PRIVATE LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at 31.03.2014 Rs.		As at 31.03.2013 Rs.	
<b><u>EQUITY AND LIABILITIES</u></b>					
<b>I. SHAREHOLDERS' FUNDS</b>					
Share Capital	2.01	490,000		490,000	
Reserves & Surplus	2.02	9,360,000		9,360,000	
			9,850,000		9,850,000
<b>II. CURRENT LIABILITIES</b>					
Trade Payables		-		463,426	
Other Current Liabilities	2.03	13,365,112		9,250,231	
			13,365,112		9,713,657
<b>TOTAL</b>			<b>23,215,112</b>		<b>19,563,657</b>
<b><u>ASSETS</u></b>					
<b>I. NON CURRENT ASSETS</b>					
Fixed Assets					
Tangible Assets	2.04	168,956		180,467	
Other Non Current Assets	2.05	39,312		39,312	
			208,268		219,779
<b>II. CURRENT ASSETS</b>					
Inventories	2.06	6,010,489		2,222,786	
Cash & Cash Equivalents	2.07	19,698		33,000	
Short Term Loans & Advances	2.08	16,976,657		17,088,092	
			23,006,844		19,343,878
<b>TOTAL</b>			<b>23,215,112</b>		<b>19,563,657</b>

SIGNIFICANT ACCOUNTING POLICIES  
& NOTES TO FINANCIAL STATEMENTS

1 & 2

As per our report of even date

**FOR R KOTHARI & COMPANY  
CHARTERED ACCOUNTANTS**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**R JALAN**  
Director

Sd/-  
**P KEDIA**  
Director

Place : Kolkata

Dated : the 01st day of September, 2014

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES:**

**A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

- i) The financial statements have been prepared under historical cost accounting, in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956.
- ii) The Books of Accounts are maintained on accrual concept, except Rates & Taxes which is accounted for on cash basis.
- iii) Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

**B. FIXED ASSETS**

Fixed Assets are stated at cost less accumulated depreciation. Cost includes all expenses attributable to acquisition and installation of such assets.

**C. DEPRECIATION**

Depreciation has been provided on prorata basis on Straight Line Method as per the rates prescribed under Schedule XIV of the Companies Act, 1956.

**D. INVENTORIES**

a) WORK IN PROGRESS

The value of Work in Progress during the period is aggregate of construction and Development Expenses, Materials, Borrowing costs, other overheads relating to project under construction. Work in Progress is valued at cost.

b) Completed Real Estate Project are valued at lower of cost or net realizable value.

**E. REVENUE RECOGNITION**

Revenue from Real Estate Project is recognised upon transfer of all significant risks & rewards of ownership to the buyers, which generally coincide with the firming of the sale agreements and when it is reasonably certain that the ultimate collection will be made and no significant uncertainty exists regarding the amount of consideration.

However, where the Company still has obligation to perform substantial acts even after the transfer of all significant risks and rewards, revenue is recognized on Percentage of Completion Method (POC) when the criteria specified in the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by Institute of Chartered Accountants of India are satisfied. The stage of completion under the POC method is measured on the basis of percentage that actual costs incurred on Real Estate projects including land, construction and development cost bears to the total estimated cost of the project. The estimates of the



projected revenues, projected profits, projected costs, costs to completion and the forceable loss are reviewed periodically by the management and any effect of changes in estimates is recognized in the period such changes are determined.

### **F. MISCELLANEOUS EXPENDITURE**

Preliminary expenses will be written off over a period of five years from the commencement of commercial activities.

### **G. PRE-OPERATIVE EXPENSES**

Pre-operative expenses will be appropriately accounted for after the commencement of commercial activities.

### **H. PROVISIONS & CONTINGENT LIABLITIES**

A provision is recognized when there is a present obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are disclosed after an evaluation of the facts and legal aspects of the matters involved.

### **I. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumption that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

# INFINITY ASHIANA PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.01: SHARE CAPITAL</u></b>		
<b>Authorised</b> 50,000 (Previous Year 50,000) Equity Shares of Rs.10/- each	500,000	500,000
<b>Issued, Subscribed &amp; Paid Up</b> 49,000 (Previous Year 49,000) Equity Shares of Rs.10/- each fully paid up.	490,000	490,000
	<b>490,000</b>	<b>490,000</b>
<b>Reconciliation of Share Capital (In Numbers)</b>		
Shares Outstanding at the Beginning of the Year	49,000	49,000
Shares Outstanding at the Closing of the Year	49,000	49,000
<b>Reconciliation of Share Capital</b>		
Shares Outstanding at the Beginning of the Year	490,000	490,000
Shares Outstanding at the Closing of the Year	490,000	490,000
<b>Terms/ rights attached to Equity Shares</b> 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 one vote per share. The Dividend proposed by the Board of Directors is subject to the approval of shareholders. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.		
<b>Equity Shares in Company held by Holding Company</b> Infinity BNKe Infocity Private Limited & its Nominees	49,000	49,000
<b>List of Shareholders Holding more than 5% shares (In Numbers)</b> Infinity BNKe Infocity Private Limited & its Nominees	49,000	49,000
<b><u>Note 2.02: RESERVES &amp; SURPLUS</u></b>		
<b>Securities Premium Account</b>		
Opening Balance	9,360,000	9,360,000
Closing balance	<b>9,360,000</b>	<b>9,360,000</b>
<b><u>Note 2.03: OTHER CURRENT LIABILITIES</u></b>		
Advances From Related Parties (Refer Note No. 2.10)	13,280,000	9,125,000
Other Payable	60,000	-
Expenses Payable	25,112	40,312
Statutory Liabilities	-	84,919
	<b>13,365,112</b>	<b>9,250,231</b>

# INFINITY ASHIANA PRIVATE LIMITED

## Note 2.04: FIXED ASSETS

Assets	Gross Block ( At Cost )				Depreciation				Net Block
	As at 01.04.13	Additions	Adjustment	As at 31.03.14	Up to 31.03.13	Adjustment/ Deduction	For the Year	Up to 31.03.14	As on 31.03.14
<b><u>TANGIBLE ASSETS</u></b>									
Furniture & Fixtures	181,844	-	-	181,844	1,377	-	11,511	12,888	168,956
	(-)	(181,844)	(-)	(181,844)	(-)	(-)	(1,377)	(1,377)	(180,467)
<b>Total</b>	<b>181,844</b>	<b>-</b>	<b>(-)</b>	<b>181,844</b>	<b>1,377</b>	<b>-</b>	<b>11,511</b>	<b>12,888</b>	<b>168,956</b>
	<b>(-)</b>	<b>(181,844)</b>	<b>(-)</b>	<b>(181,844)</b>	<b>(-)</b>	<b>(-)</b>	<b>(1,377)</b>	<b>(1,377)</b>	<b>(180,467)</b>

Figures in bracket represents previous year's amounts.

# INFINITY ASHIANA PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.05: OTHER NON CURRENT ASSETS</u></b>		
Preliminary Expenses	39,312	39,312
	<b>39,312</b>	<b>39,312</b>
<b><u>Note 2.06: INVENTORIES</u></b>		
Project Work in Progress		
Building Work in Progress	5,340,460	1,959,838
Pre Operative Expenses		
Balance Brought Forward	262,948	22,134
Audit Fees	10,112	10,112
Rates & Taxes	21,575	36,143
Depreciation	11,511	1,377
Miscellaneous Expenses	363,883	193,182
	670,029	262,948
	<b>6,010,489</b>	<b>2,222,786</b>
<b><u>Note 2.07: CASH AND CASH EQUIVALENTS</u></b>		
Cash On Hand	4,754	5,029
Balance with Bank	14,944	27,971
	<b>19,698</b>	<b>33,000</b>
<b><u>Note 2.08: SHORT TERM LOANS &amp; ADVANCES</u></b>		
<b>Unsecured, Considered Good</b>		
Advances To Related Parties (Refer Note No. 2.10)	16,895,900	16,895,900
Advances (Recoverable in cash or in kind, or for value to be received)	80,757	126,192
Security Deposit	-	66,000
	<b>16,976,657</b>	<b>17,088,092</b>

**NOTE 2.09: CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**

The estimated amount of contracts net of advances remaining to be executed on capital account as on 31.03.2014 is Rs. 1,59,33,378/- (P.Y Rs.1,93,61,500/-).

**NOTE 2.10: RELATED PARTY DISCLOSURES****A. Relations**

- (i) Holding Company : Infinity BNKe Infocity Pvt. Ltd.  
(Holding 100% equity in the Company)
- (ii) Ultimate Holding Company : Infinity Infotech Parks Ltd.  
(Holding 100% equity in Infinity BNKe Infocity Pvt. Ltd.)
- (iii) Other/ Associates : Infinity Residences Pvt. Ltd.  
: Infinity Knowledge City Projects Pvt. Ltd.  
: Magnitude Infrastructure Pvt. Ltd.  
: Snowwhite Infrastructure Pvt. Ltd.
- (iv) Joint Venturer : Hare Krishna Movement
- (v) Key Management Personnel : Mr. R Jalan

Note: Related party relationship is as identified by the Company and relied upon by the Auditors

**B. Transactions with related parties during the financial year**

<b>Name of Related Party</b>	<b>Nature Of Transaction</b>	<b>Transactions during the year Rs.</b>	<b>Balance as on 31.03.2014 Rs.</b>
Infinity BNKe Infocity Pvt. Ltd.	Advances Received	4,125,000/-  (17,800,000/-)	1,30,25,000/-  (89,00,000/-)
	Advances Given	-  89,00,000/-	

INFINITY ASHIANA PRIVATE LIMITED

Snowwhite Infrastructure Pvt. Ltd.	Advances Received	30,000/- (2,25,000/-)	2,55,000/- (2,25,000/-)
Hare Krishna Movement	Advances Received	- (8,904,100/-)	
	Advances Given	- (16,050,000/-)	16,895,900/- (16,895,900/-)

**NOTE 2.11: OTHER DISCLOSURES**

- A.** The disclosure requirements of Accounting Standard- 17 on Segment Reporting, Accounting Standard- 20 on Earnings per Share and Accounting Standard- 22 on Accounting for Taxes on Income are not applicable to the Company as it is yet to start its commercial activities. Since the Company is not having any employee the disclosure requirements of Accounting Standard – 15 on Employee Benefits is not applicable.
- B.** The Company has entered into agreement for development of Housing Complex with Hare Krishna Movement, Vrindavan for 13.397 Acres of land at village – Sunrakh Bangar and Chhatikara, Pargana Vrindavan, District- Mathura, Uttar Pradesh, whereby the company will incur all development costs as envisaged in the said agreement and upon completion of construction the Company shall be entitled to the proportionate of total constructed area including car parking areas. Work in Progress pending allocation for the ongoing amounting to Rs. 6,010,489/- (Previous Year Rs. 2,222,786/-) includes pre- operative expenses amounting to Rs. 670,029/-(Previous Year Rs. 262,948/-).
- C.** The Company is yet to start commercial activities and accordingly Statement of Profit & Loss has not been prepared. Expenses incurred up to 31.03.2014 amounting to Rs. 670,029/-(Previous Year Rs. Rs. 262,948/-) has been transferred to Pre-Operative Expenses. Refer **Note No.2.06**.
- D.** In the opinion of the Management, there is no impairment of the assets to which Accounting Standard– 28 apply requiring any recognition.

INFINITY ASHIANA PRIVATE LIMITED

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E. Based upon information available with the Company, there is no balance due to Micro and Small Enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006. There is no interest liability either paid or payable under the terms of the said Act.

F. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**As per our Report of even date**

**FOR R.KOTHARI & COMPANY  
CHARTERED ACCOUNTANTS**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-**

**KAILASH CHANDRA SONI**

**Partner**

**Place: Kolkata**

**Dated: the 01<sup>st</sup> day of September, 2014**

**Sd/-**

**R JALAN**

**Director**

**Sd/-**

**P KEDIA**

**Director**

# INFINITY ASHIANA PRIVATE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31.03.2014 Rs.	Year ended 31.03.2013 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Operating Profit before Working Capital Changes	-	-
Adjustment for :		
Loans & Advances/Other Assets	111,435	(7,338,092)
Pre Operative Expenses	(3,776,192)	(2,199,275)
Trade/Other Payables	3,651,455	9,703,545
<b>Net Cash from/(used) in Operating Activities</b>	<b>(13,302)</b>	<b>166,178</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-	(181,844)
<b>Net Cash used in Investing Activities</b>	<b>-</b>	<b>(181,844)</b>
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(13,302)</b>	<b>(15,666)</b>
Cash and Cash Equivalents at the Beginning	33,000	48,666
<b>Cash and Cash Equivalents at the Close</b>	<b>19,698</b>	<b>33,000</b>

As per our report of even date

**FOR R KOTHARI & COMPANY  
CHARTERED ACCOUNTANTS**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**R JALAN**  
Director

Sd/-  
**P KEDIA**  
Director

Place : Kolkata

Dated : the 01st day of September, 2014



# 7th ANNUAL REPORT 2013 - 2014

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## DIRECTORS

Mr. G S Bajoria

Mr. R Jalan

Mr. A Jalan

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## AUDITORS

R Kothari & Company  
Chartered Accountants  
16A, Shakespeare Sarani,  
Kolkata 700071

## CONTENTS

Directors Report  
Auditors Report  
Balance Sheet  
Notes Forming Part of the  
Balance Sheet  
Cash Flow Statement

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# INFINITY KNOWLEDGE CITY PROJECTS PRIVATE LIMITED

Reg Off: INFINITY PLOT A3 BLOCK-GP, SALT LAKE SECTOR V KOLKATA-700091

Phone No: 033 23573686 Fax No: 033 23572917

Cin No: U80302WB2007PTC115036

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## **DIRECTORS' REPORT TO THE MEMBERS**

Your Directors have pleasure in presenting the 7<sup>th</sup> Annual Report together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2014.

### **FINANCIAL RESULTS**

During the year under review, the Company has not under taken any operational activities. All the expenses incurred upto 31<sup>st</sup> March, 2014 amounting to Rs.9,114,124/- (Previous Year Rs. 9,025,206/-) has been treated as Pre-Operative Expenses and therefore no Statement of Profit and Loss has been prepared for the year ended on 31<sup>st</sup> March, 2014.

### **PROJECT AND GENERAL REVIEW**

Your Directors have pleasure in informing you that within the framework of the main objects, your Company has been exploring various opportunities to venture in the business of real estate wherein the opportunity is clearly viable.

### **THE COMPANIES ACT, 2013**

The Ministry of Corporate Affairs (MCA) has notified 282 sections of the Companies Act, 2013 in tranches in September, 2013 and March 2014 with majority of the Sections as well as the rules being notified in March 2014 and made effective from 1st April, 2014. The Companies Act, 1956 continues to be in force to the extent of the corresponding provisions of the new Act which are yet to be notified. MCA vide its circular dated April 4, 2014 has clarified that the Financial statements and documents annexed thereto, auditor's report and board's report in respect of the Financial year that has commenced earlier than April 1, 2014 shall be governed by the provisions of the Companies Act, 1956 and accordingly, the Financial statements and documents annexed thereto, auditor's report and board's report and the attachments thereto have been prepared in accordance with the provisions of the Companies Act, 1956. With respect to the other provisions of the Act, appropriate references have been made in this report to the extent these provisions have become applicable effective April 1, 2014.

### **DIRECTORS**

During, the year under review, Mr. Gokul Kumar Agarwalla and Mr. Ravindra Chamaria resigned as Directors of the Company with effect from 16<sup>th</sup> September, 2013 and 20<sup>th</sup> December, 2013 respectively. The Board place on record its high appreciation and gratitude for the valuable services rendered by them during their tenure as Directors of the Company.

Mr. Rishi Jalan and Mr. Ajay Kumar Jalan were appointed as Additional Directors of the Company with effect from 2<sup>nd</sup> August, 2013 and 23<sup>rd</sup> December, 2013 respectively in terms

# INFINITY KNOWLEDGE CITY PROJECTS PRIVATE LIMITED

Reg Off: INFINITY PLOT A3 BLOCK-GP, SALT LAKE SECTOR V KOLKATA-700091

Phone No: 033 23573686 Fax No: 033 23572917

Cin No: U80302WB2007PTC115036

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of Section 161 of the Companies Act, 2013 and they holds office only upto the date of ensuing Annual General Meeting. The Company has received requisite notices in writing from a member proposing their name for the office of Directors.

Mr. Gouri Shankar Bajoria retires by rotation at the ensuing Annual General Meeting and, being eligible offer himself for re-appointment pursuant to Section 152 of the Companies Act, 2013 and Articles of Association of the Company.

The Board of Directors of your Company recommends the appointment/re-appointment of all the above Directors at the ensuing Annual General Meeting.

## **DEPOSITS**

Your Company has not accepted any deposits under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance with Section 217(2AA) of the Companies Act, 1956 the Directors, to the best of their knowledge and belief confirm:

1. That for the preparation of the Accounts for the year ended 31<sup>st</sup> March, 2014 the applicable accounting standards have been followed along with a proper explanation relating to material departures.
2. That the Directors have selected such accounting policies as mentioned in Note No. 1 of the Annual Accounts and applied them consistently and made such judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31<sup>st</sup> March, 2014.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2014 on a "going concern basis."

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

As the Company is yet to start operations and in view of the nature of activities which are carried on by the Company, the particulars as prescribed under Section 217(1)(e) of the Act, read with Rule 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board

# INFINITY KNOWLEDGE CITY PROJECTS PRIVATE LIMITED

Reg Off: INFINITY PLOT A3 BLOCK-GP, SALT LAKE SECTOR V KOLKATA-700091

Phone No: 033 23573686 Fax No: 033 23572917

Cin No: U80302WB2007PTC115036

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of Directors) Rules, 1988, concerning Conservation of Energy and Technology Absorption respectively, are not applicable to the Company.

During the year under review, there was no foreign exchange earnings and outgo.

## **PARTICULARS OF EMPLOYEES**

During the year under review, none of the employees were employed at a remuneration exceeding the amount as specified u/s 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended.

## **AUDITORS' REPORT**

The Notes on Accounts referred to by the Auditors in their Report are self-explanatory and require no further explanation.

## **AUDITORS**

M/s. R Kothari & Company, Chartered Accountants, (Firm Registration No. 307069E) the Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

As required under the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the Company has obtained written consent from the Auditors to such re-appointment and also a certificate to the effect that their re-appointment, if made, would be in conformity within the limits specified in the said Section and that they are not disqualified for re-appointment pursuant to Section 141 of the Companies Act, 2013. The Auditors shall be appointed for a term of five years and shall hold office from the conclusion of the ensuing Annual General Meeting till conclusion of the 12th Annual General Meeting of the Company (subject to ratification of their appointment at every Annual General Meeting).

## **ACKNOWLEDGEMENT**

Your Directors place on record their sincere appreciation for the valuable contributions and continued co-operations received by the Company from its bankers, other associates of the Company and Statutory Authorities.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-**  
**R JALAN**  
**Director**

**Sd/-**  
**G S BAJORIA**  
**Director**

**Place: Kolkata**

**Date: the 01<sup>st</sup> day of September, 2014**

## **INDEPENDENT AUDITORS' REPORT**

**TO**

**THE MEMBERS OF**

**INFINITY KNOWLEDGE CITY PROJECTS PRIVATE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **INFINITY KNOWLEDGE CITY PROJECTS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2014 and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information. Statement of Profit and Loss has not been prepared as referred to in Point No. B of Note 2.09 of 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 13th 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.

### **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 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 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 the 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.

### **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 31<sup>st</sup> March, 2014;
- (b) in the case of the Cash Flow Statement, of the cash flows of the Company 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 in terms of Section 227(4A) 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 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 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

13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;

- (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

**For R. KOTHARI & COMPANY**  
**Chartered Accountants**  
**(Firm Registration No. 307069E)**

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**  
**(Membership No. 057620)**

**Place: Kolkata.**

**Date: the 01<sup>st</sup> day of September, 2014**

## **ANNEXURE TO INDEPENDENT AUDITORS REPORT**

### **Referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirement” of our report of even date**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i) In respect of its fixed assets:
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b) As explained to us, all the fixed assets have been physically verified by the management during the year and in our opinion, the frequency of such verification is reasonable. No material discrepancies were noticed on such verification.
  - c) In our opinion, the company has not disposed off any substantial part of its fixed asset, which could affect the going concern status of the company.
- ii) The company does not have any Inventories. Accordingly the provisions of clause 4 (ii) (a), (b) and (c) of the Order are not applicable to the company;
- iii) The Company has neither taken nor granted any loan, secured or unsecured, from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. So, accordingly the provisions of Clause 4(iii) (a) to (g) of the Order are not applicable to the Company;
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system;
- v)
  - a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered;
  - b) In our opinion and according to the information, explanations and representation given to us, no transactions have been made during the year in pursuance of contracts or arrangements entered in the registers maintained under Section 301 and exceeding the value of five lakh rupees in respect of any party;



- vi) The company has not accepted any deposits from the public during the year hence the directives issued by the Reserve Bank of India and provisions of Sections 58A , 58AA or any other relevant provision of the Companies Act, 1956 and the rules framed there under are not applicable to the company;
- vii) In our opinion, the company's present own internal check system is commensurate with its size and nature of business;
- viii) The Central Government has not prescribed maintenance of any cost records under section 209(1) (d) of the Companies Act, 1956;
- ix) In respects of Statutory dues:
  - a) According to the information and explanations given to us and on the basis of examination of the books of accounts, the company has been generally regular in depositing undisputed statutory dues including Income Tax, Wealth Tax, Service Tax and other statutory dues with the appropriate authorities during the year;
  - b) According to the information and explanation given to us no undisputed amount payable in respect of income tax, cess etc. were in arrears as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they become payable;
  - c) According to the information and explanations given to us, there are no dues of income tax, cess etc which have not deposited on account of any dispute;
- x) The Company is yet to start commercial activities and accordingly Statement of Profit & Loss has not been prepared. Therefore, the provision of clause 4(x) of the Order is not applicable to the Company;
- xi) In our opinion and according to the information and explanations given to us, the Company has no dues to any financial institution, bank or debenture holders;
- xii) In our opinion, the Company has not granted any 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 provision of clause 4(xiii) of the Order is not applicable to the company;
- xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the provision of clause 4(xiv) of the Order is not applicable to the company;

- xv) According to the information and explanations given to us and on the basis of examination of the books of account, the company has not given any guarantee for loans taken by others from Banks or financial institutions;
- xvi) According to the information and explanations given to us, on an overall basis, the company has not applied for term loan. Accordingly, the provision of clause 4(xvi) of the Order is not applicable to the company;
- xvii) According to the information and explanations given to us, on an overall examination of the financial statements of the company, we report that no funds raised on short term basis have, prima facie, been used for long term investment;
- xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956;
- xix) According to the information and explanations given to us, during the period covered by our audit, the company has not issued any debentures;
- xx) According to the information and explanations given to us, the company has not raised any money by public issue during the year under review;
- xxi) According to the information and explanations given by the Management, and to the best of our knowledge and belief, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For R. KOTHARI & COMPANY**  
**Chartered Accountants**  
**(Firm Registration No. 307069E)**

Sd/-  
**KAILASH CHANDRA SONI**  
**Partner**  
**(Membership No. 057620)**

**Place: Kolkata.**

**Date: the 01<sup>st</sup> day of September, 2014**

# INFINITY KNOWLEDGE CITY PROJECTS PRIVATE LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at 31.03.2014 Rs.		As at 31.03.2013 Rs.	
<b><u>EQUITY AND LIABILITIES</u></b>					
<b>I. SHAREHOLDERS' FUNDS</b>					
Share Capital	2.01	950,000		950,000	
Reserves and Surplus	2.02	9,350,000		9,350,000	
			10,300,000		10,300,000
<b>II. CURRENT LIABILITIES</b>					
Other Current Liabilities	2.03	910,112		1,059,656	
			910,112		1,059,656
			<b>11,210,112</b>		<b>11,359,656</b>
<b><u>ASSETS</u></b>					
<b>I. NON CURRENT ASSETS</b>					
Fixed Assets					
Tangible Assets	2.04	294,166		347,971	
Other Non Current Assets	2.05	9,156,980		9,068,062	
			9,451,146		9,416,033
<b>II. CURRENT ASSETS</b>					
Cash & Cash Equivalents	2.06	58,966		243,623	
Short Term Loans & Advances	2.07	1,700,000		1,700,000	
			1,758,966		1,943,623
			<b>11,210,112</b>		<b>11,359,656</b>

SIGNIFICANT ACCOUNTING POLICIES  
& NOTES TO FINANCIAL STATEMENTS

1 & 2

As per our report of even date

**FOR R KOTHARI & COMPANY**  
**CHARTERED ACCOUNTANTS**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**R JALAN**  
Director

Sd/-  
**G S BAJORIA**  
Director

Place : Kolkata  
Dated : the 01st day of September, 2014

**NOTE 1. SIGNIFICANT ACCOUNTING POLICIES:**

**A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

- i) The financial statements have been prepared under historical cost accounting, in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956.
- ii) The Books of Accounts are maintained on accrual concept, unless stated otherwise.
- iii) Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

**B. FIXED ASSETS**

Fixed Assets are stated at cost less accumulated depreciation. Cost includes all expenses attributable to acquisition and installation of such assets.

**C. DEPRECIATION**

Depreciation has been provided on prorata basis on Straight Line Method as per the rates prescribed under Schedule XIV of the Companies Act, 1956.

**D. RETIREMENT BENEFITS**

Provision for leave entitlement is accrued and provided on the basis of balance leave at the close of the year.

**E. MISCELLANEOUS EXPENDITURE**

Preliminary expenses will be written off over a period of five years from the commencement of commercial activities

**F. PRE-OPERATIVE EXPENSES**

Pre-operative expenses will be appropriately accounted for after the commencement of commercial activities.

**G. PROVISIONS & CONTINGENT LIABILITIES**

A provision is recognized when there is a present obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are disclosed after an evaluation of the facts and legal aspects of the matters involved.

**H. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumption that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

# INFINITY KNOWLEDGE CITY PROJECTS PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.01: SHARE CAPITAL</u></b>		
<b>Authorised</b> 1,00,000 (Previous Year 1,00,000) Equity Shares of Rs.10/- each	1,00,000	1,00,000
<b>Issued, Subscribed &amp; Paid Up</b> 95,000 (Previous Year 95,000) Equity Shares of Rs.10/- each fully paid up.	95,000	95,000
	<b>95,000</b>	<b>95,000</b>
<b>Reconciliation of Share Capital (In Numbers)</b> Shares Outstanding at the Beginning of the Year	95,000	95,000
Shares Outstanding at the Closing of the Year	95,000	95,000
<b>Reconciliation of Share Capital</b> Shares Outstanding at the Beginning of the Year	95,000	95,000
Shares Outstanding at the Closing of the Year	95,000	95,000
<b>Terms/ rights attached to Equity Shares</b> 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 one vote per share. The Dividend proposed by the Board of Directors is subject to the approval of shareholders. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.		
<b>Equity Shares in Company held by Holding Company</b> Infinity BNKe Infocity Private Limited & its Nominees	95,000	95,000
<b>List of Shareholders Holding more than 5% of shares (In Numbers)</b> Infinity BNKe Infocity Private Limited & its Nominees	95,000	95,000
<b><u>Note 2.02: RESERVES &amp; SURPLUS</u></b>		
<b>Securities Premium Account</b> Opening balance	9,350,000	9,350,000
<b><u>Closing balance</u></b>	<b>9,350,000</b>	<b>9,350,000</b>
<b><u>Note 2.03: OTHER CURRENT LIABILITIES</u></b>		
Advance from Related party (Refer Note No. 2.09)	900,000	960,000
Expenses Payable	10,112	99,656
	<b>910,112</b>	<b>1,059,656</b>

# INFINITY KNOWLEDGE CITY PROJECTS PRIVATE LIMITED

## Note 2.04: FIXED ASSETS

Assets	Gross Block ( At Cost )			Depreciation				Net Block	
	As at 01.04.13	Additions	Adjustment	As at 31.03.14	Up to 31.03.13	Adjustment/ Deduction	For the Year	Up to 31.03.14	As on 31.03.14
<b><u>TANGIBLE ASSETS</u></b>									
Plant & Machinery	73,550	-	-	73,550	9,195	-	3,493	12,688	60,862
	(73,550)	(-)	(-)	(73,550)	(5,702)	(-)	(3,493)	(9,195)	(64,155)
Computer	222,818	-	-	222,818	116,149	-	36,119	152,268	70,550
	(222,818)	(-)	(-)	(222,818)	(80,030)	(-)	(36,119)	(116,149)	(106,669)
Furniture & Fixtures	201,163	-	-	201,163	29,834	-	12,734	42,568	158,595
	(201,163)	(-)	(-)	(201,163)	(17,100)	(-)	(12,734)	(29,834)	(171,329)
Refrigerator	9,000	-	-	9,000	3,382	-	1,459	4,841	4,159
	(9,000)	(-)	(-)	(9,000)	(1,923)	(-)	(1,459)	(3,382)	(5,618)
<b>Total</b>	<b>506,531</b>	<b>(-)</b>	<b>(-)</b>	<b>506,531</b>	<b>158,560</b>	<b>-</b>	<b>53,805</b>	<b>212,365</b>	<b>294,166</b>
	<b>(506,531)</b>	<b>(-)</b>	<b>(-)</b>	<b>(506,531)</b>	<b>(104,755)</b>	<b>(-)</b>	<b>(53,805)</b>	<b>(158,560)</b>	<b>(347,971)</b>

Figures in bracket represents previous year's amounts.

# INFINITY KNOWLEDGE CITY PROJECTS PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b>Note 2.05: OTHER NON CURRENT ASSETS</b>		
Preliminary Expenses	42,856	42,856
	42,856	42,856
Pre Operative Expenses		
Balance Brought Forward	9,025,206	7,216,633
Audit Fees	10,112	10,112
Rates & Taxes	20,800	19,000
Depreciation	53,805	53,805
Miscellaneous Expenses	4,201	233,887
Employment Benefit Expenses	-	991,769
Add: Advances written back	-	500,000
	9,114,124	9,025,206
	<b>9,156,980</b>	<b>9,068,062</b>

<b>Note 2.06: CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	15,694	15,968
Balance with Banks	43,272	227,655
	<b>58,966</b>	<b>243,623</b>

<b>Note 2.07: SHORT TERM LOANS &amp; ADVANCES</b>		
<b>Unsecured, Considered Good</b>		
Advances (Recoverable in cash or in kind, or for value to be received)	1,700,000	1,700,000
	<b>1,700,000</b>	<b>1,700,000</b>

**NOTE 2.08: RELATED PARTY DISCLOSURES**

**A. Relations**

- (i) Holding Company : Infinity BNKe Infocity Pvt. Ltd.  
(Holding 100% equity in the Company)
- (ii) Ultimate Holding Company : Infinity Infotech Parks Ltd.  
(Holding 100% equity in Infinity BNKe Infocity Pvt. Ltd.)
- (iii) Other/ Associates : Infinity Ashiana Pvt. Ltd.  
: Infinity Residences Pvt. Ltd.  
: Magnitude Infrastructure Pvt. Ltd.  
: Snowwhite Infrastructure Pvt. Ltd.  
: Bhubaneswar IT Park Projects Pvt. Ltd.  
: Profile Infinity Infrastructure Pvt. Ltd.
- (iv) Key Management Personnel : Mr. G. S Bajoria

Note: Related party relationship is as identified by the Company and relied upon by the Auditors

**B. Transactions with related parties during the financial year**

<b>Name of Related Party</b>	<b>Nature Of Transaction</b>	<b>Transaction during the year Rs.</b>	<b>Balance as on 31.03.2014 Rs.</b>
Infinity BNKe Infocity Pvt. Ltd.	Advances Received	- (960,000/-)	900,000/- (960,000/-)
	Advances Paid	60,000/- (-)	



# INFINITY KNOWLEDGE CITY PROJECTS PRIVATE LIMITED

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## **NOTE 2.09: OTHER DISCLOSURES**

- A.** The disclosure requirements of Accounting Standard- 17 on Segment Reporting, Accounting Standard- 20 on Earnings per Share and Accounting Standard- 22 on Accounting for Taxes on Income are not applicable to the Company as it is yet to start its commercial activities.
- B.** The Company is yet to start commercial activities and accordingly Statement of Profit & Loss has not been prepared. Expenses incurred up to 31.03.2014 amounting to Rs. 91,14,124/- (Previous Year Rs. 90,25,206/-) has been transferred to Pre-Operative Expenses. Refer **Note No.2.05**.
- C.** The Company has taken legal action against advance dues from Rakesh Kumar Lalwani amounting to Rs. 1,700,000/- under section 138 of Negotiable Instrument Act, 1881.
- D.** In the opinion of the Management, there is no impairment of the assets to which Accounting Standard- 28 apply requiring any recognition.
- E.** The provisions of Employee's Provident Fund and Miscellaneous Provisions Act, 1952 and The Payment of Gratuity Act, 1972 are not applicable to the Company.
- F.** Based upon information available with the Company, there is no balance due to Micro and Small Enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006. There is no interest liability either paid or payable under the terms of the said Act.
- G.** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**As per our report of even date**

**FOR R KOTHARI & COMPANY  
CHARTERED ACCOUNTANTS**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-  
KAILASH CHANDRA SONI  
Partner**

**Sd/-  
R JALAN  
Director**

**Sd/-  
G S BAJORIA  
Director**

**Place: Kolkata**

**Dated: the 01<sup>st</sup> day of September, 2014**

# INFINITY KNOWLEDGE CITY PROJECTS PRIVATE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31.03.2014 Rs.	Year ended 31.03.2013 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Operating Profit before Working Capital Changes	-	-
Adjustment for :		
Loans & Advances/Other Assets	-	566,000
Pre Operative Expenses	(35,113)	(1,754,768)
Trade/Other Payables	(149,544)	1,039,272
<b>Net Cash used in Operating Activities</b>	<b>(184,657)</b>	<b>(149,496)</b>
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(184,657)</b>	<b>(149,496)</b>
Cash and Cash Equivalents at the Beginning	243,623	393,119
Cash and Cash Equivalents at the Close	<b>58,966</b>	<b>243,623</b>

As per our report of even date

**FOR R KOTHARI & COMPANY  
CHARTERED ACCOUNTANTS**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**R JALAN**  
Director

Sd/-  
**G S BAJORIA**  
Director

Place : Kolkata

Dated : the 01st day of September, 2014

**4th ANNUAL REPORT  
2013 - 2014**

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**DIRECTORS**

**Mr. P Kedia**

**Mr. R Jalan**

**Mr. P C Goenka**

**AUDITORS**

**R Kothari & Company**

**Chartered Accountants**

**16A, Shakespeare Sarani**

**Kolkata 700071**

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**Cash Flow Statement**

# INFINITY RESIDENCES PRIVATE LIMITED

Reg Off: INFINITY PLOT A3 BLOCK-GP, SALT LAKE SECTOR V KOLKATA-700091

Phone No: 033 23573686 Fax No: 033 23572917

Cin No: U70109WB2011PTC158908

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## **DIRECTORS' REPORT TO THE MEMBERS**

Your Directors have pleasure in presenting the 4<sup>th</sup> Annual Report together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2014.

### **FINANCIAL RESULTS**

During the year under review, the Company has not under taken any operational activities. All the expenses incurred upto 31<sup>st</sup> March, 2014 amounting to Rs.124,126/- (Previous Year Rs.88,146/-) has been treated as Pre-Operative Expenses and therefore no Statement of Profit and Loss has been prepared for the year ended on 31<sup>st</sup> March, 2014.

### **PROJECT & GENERAL REVIEW**

Your directors have pleasure in informing you that within the framework of the main objects, your Company has been exploring various opportunities to venture in the business of real estate at Kolkata wherein the opportunity is clearly viable.

### **THE COMPANIES ACT, 2013**

The Ministry of Corporate Affairs (MCA) has notified 282 sections of the Companies Act, 2013 in tranches in September, 2013 and March 2014 with majority of the Sections as well as the rules being notified in March 2014 and made effective from 1st April, 2014. The Companies Act, 1956 continues to be in force to the extent of the corresponding provisions of the new Act which are yet to be notified. MCA vide its circular dated April 4, 2014 has clarified that the Financial statements and documents annexed thereto, auditor's report and board's report in respect of the Financial year that has commenced earlier than April 1, 2014 shall be governed by the provisions of the Companies Act, 1956 and accordingly, the Financial statements and documents annexed thereto, auditor's report and board's report and the attachments thereto have been prepared in accordance with the provisions of the Companies Act, 1956. With respect to the other provisions of the Act, appropriate references have been made in this report to the extent these provisions have become applicable effective April 1, 2014.

### **DIRECTORS**

During, the year under review, Mr. Gouri Shankar Bajoria resigned as a Director of the Company with effect from 30<sup>th</sup> December, 2013. The Board place on record its high appreciation and gratitude for the valuable services rendered by him during his tenure as Director of the Company.

Mr. Piyush Chandra Goenka was appointed as an Additional Director of the Company with effect from 30<sup>th</sup> December, 2013 in terms of Section 161 of the Companies Act, 2013 and he

# INFINITY RESIDENCES PRIVATE LIMITED

Reg Off: INFINITY PLOT A3 BLOCK-GP, SALT LAKE SECTOR V KOLKATA-700091

Phone No: 033 23573686 Fax No: 033 23572917

Cin No: U70109WB2011PTC158908

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holds office only upto the date of ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing his name for the office of Director.

Mr. Piyush Kedia, retires by rotation at the ensuing Annual General Meeting and, being eligible offer himself for re-appointment pursuant to Section 152 of the Companies Act, 2013 and Articles of Association of the Company.

The Board of Directors of your Company recommends the appointment/re-appointment of all the above Directors at the ensuing Annual General Meeting.

## **DEPOSITS**

Your Company has not accepted any deposits under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance with Section 217(2AA) of the Companies Act, 1956 the Directors, to the best of their knowledge and belief confirm:

1. That for the preparation of the Accounts for the year ended 31<sup>st</sup> March, 2014 the applicable accounting standards have been followed along with a proper explanation relating to material departures.
2. That the Directors have selected such accounting policies as mentioned in **Note No. 1** of the Annual Accounts and applied them consistently and made such judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31<sup>st</sup> March, 2014.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2014 on a "going concern basis."

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

As the Company is yet to start operations and in view of the nature of activities which are carried on by the Company, the particulars as prescribed under Section 217(1)(e) of the Act, read with Rule 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, concerning Conservation of Energy and Technology Absorption respectively, are not applicable to the Company.

# INFINITY RESIDENCES PRIVATE LIMITED

Reg Off: INFINITY PLOT A3 BLOCK-GP, SALLAKE SECTOR V KOLKATA-700091

Phone No: 033 23573686 Fax No: 033 23572917

Cin No: U70109WB2011PTC158908

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During the year under review, there was no foreign exchange earnings and outgo.

## **PARTICULARS OF EMPLOYEES**

During the year under review, none of the employees were employed at a remuneration exceeding the amount as specified u/s 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Amendment Rules, 2011.

## **AUDITORS' REPORT**

The Notes on Accounts referred to by the Auditors in their Report are self-explanatory and require no further explanation.

## **AUDITORS**

M/s. R Kothari & Company, Chartered Accountants, (Firm Registration No. 307069E) the Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

As required under the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the Company has obtained written consent from the Auditors to such re-appointment and also a certificate to the effect that their re-appointment, if made, would be in conformity within the limits specified in the said Section and that they are not disqualified for re-appointment pursuant to Section 141 of the Companies Act, 2013. The Auditors shall be appointed for a term of five years and shall hold office from the conclusion of the ensuing Annual General Meeting till conclusion of the 9th Annual General Meeting of the Company (subject to ratification of their appointment at every Annual General Meeting).

## **ACKNOWLEDGEMENT**

Your Directors place on record their sincere appreciation for the valuable contributions and continued co-operations received by the Company from its bankers, other associates of the Company and Statutory Authorities.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-**  
**R JALAN**  
**Director**

**Sd/-**  
**P KEDIA**  
**Director**

**Place: Kolkata**

**Date: the 01<sup>st</sup> day of September, 2014**

## **INDEPENDENT AUDITORS' REPORT**

**TO**  
**THE MEMBERS OF**  
**INFINITY RESIDENCES PRIVATE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **INFINITY RESIDENCES PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March , 2014 and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information. Statement of Profit and Loss has not been prepared as referred to in Point No.B of Note 2.09 of 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 13th 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.

### **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 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 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 the 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.

### **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 31<sup>st</sup> March, 2014;
- (b) in the case of the Cash Flow Statement, of the cash flows of the Company 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 in terms of Section 227(4A) 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 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 and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) 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 is disqualified as on 31<sup>st</sup> March, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

**For R. KOTHARI & COMPANY**  
**Chartered Accountants**  
**(Firm Registration No. 307069E)**

**Sd/-**  
**KAILASH CHNDRA SONI**  
**Partner**  
**(Membership No. 057620)**

**Place: Kolkata**

**Date: the 01<sup>st</sup> day of September, 2014**

## **ANNEXURE TO INDEPENDENT AUDITORS REPORT**

### **Referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirement” of our report of even date**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i) The Company does not have any Fixed Assets. Accordingly the provisions of clause 4 (i) (a), (b) and (c) of the Order are not applicable to the Company;
- ii) The Company does not have any Inventories. Accordingly the provisions of clause 4 (ii) (a), (b) and (c) of the Order are not applicable to the Company;
- iii) The Company has neither taken nor granted any loan, secured or unsecured, from the Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. So, accordingly the provisions of Clause 4(iii) (a) to (g) of the Order are not applicable to the Company;
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system;
- v)
  - a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered;
  - b) In our opinion and according to the information, explanations and representation given to us, no transactions have been made during the year in pursuance of contracts or arrangements entered in the registers maintained under Section 301 and exceeding the value of five lakh rupees in respect of any party;
- vi) The Company has not accepted any deposits from the public during the year hence the directives issued by the Reserve Bank of India and provisions of Sections 58A , 58AA or any other relevant provision of the Companies Act, 1956 and the rules framed there under are not applicable to the Company;
- vii) In our opinion, the Company’s present own internal check system is commensurate with its size and nature of business;

- viii) The Central Government has not prescribed maintenance of any cost records under section 209(1) (d) of the Companies Act, 1956;
- ix) In respects of Statutory dues:
  - a) According to the information and explanations given to us and on the basis of examination of the books of accounts, the Company has been generally regular in depositing undisputed statutory dues including Income Tax, Wealth Tax, Service Tax and other statutory dues with the appropriate authorities during the year;
  - b) According to the information and explanations given to us no undisputed amount payable in respect of income tax, cess etc. were in arrears as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they become payable;
  - c) According to the information and explanations given to us, there are no dues of income tax, cess etc which have not deposited on account of any dispute;
- x) The Company is yet to start commercial activities and accordingly Statement of Profit & Loss has not been prepared. Therefore, the provision of clause 4(x) of the Order is not applicable to the Company;
- xi) In our opinion and according to the information and explanations given to us, the Company has no dues to any financial institution, bank or debenture holders;
- xii) In our opinion, the Company has not granted any 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 provision of clause 4(xiii) of the Order is not applicable to the Company;
- xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the provision of clause 4(xiv) of the Order is not applicable to the Company;
- xv) According to the information and explanations given to us and on the basis of examination of the books of account, the Company has not given any guarantee for loans taken by others from Banks or financial institutions;
- xvi) According to the information and explanations given to us, on an overall basis, the Company has not applied for term loan. Accordingly, the provision of clause 4(xvi) of the Order is not applicable to the Company;

- xvii) According to the information and explanations given to us, on an overall examination of the financial statements of the Company, we report that no funds raised on short term basis have, prima facie, been used for long term investment;
- xviii) According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956;
- xix) According to the information and explanations given to us, during the period covered by our audit, the Company has not issued any debentures;
- xx) According to the information and explanations given to us, the Company has not raised any money by public issue during the year under review;
- xxi) According to the information and explanations given by the Management, and to the best of our knowledge and belief, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For R. KOTHARI & COMPANY**  
**Chartered Accountants**  
**(Firm Registration No. 307069E)**

**Sd/-**  
**KAILASH CHNDRA SONI**  
**Partner**  
**(Membership No. 057620)**

**Place: Kolkata**

**Date: the 01<sup>st</sup> day of September, 2014**

# INFINITY RESIDENCES PRIVATE LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at 31.03.2014 Rs.		As at 31.03.2013 Rs.	
<b><u>EQUITY AND LIABILITIES</u></b>					
<b>I. SHAREHOLDERS' FUNDS</b>					
Share Capital	2.01	455,000		455,000	
Reserves and Surplus	2.02	6,745,000	7,200,000	6,745,000	7,200,000
<b>II. CURRENT LIABILITIES</b>					
Other Current Liabilities	2.03	90,112	90,112	40,212	40,212
			<b>7,290,112</b>		<b>7,240,212</b>
<b><u>ASSETS</u></b>					
<b>I. NON CURRENT ASSETS</b>					
Other Non Current Assets	2.04	163,438	163,438	127,458	127,458
<b>II. CURRENT ASSETS</b>					
Cash & Cash Equivalents	2.05	24,464		10,544	
Short Term Loans & Advances	2.06	7,102,210	7,126,674	7,102,210	7,112,754
			<b>7,290,112</b>		<b>7,240,212</b>

SIGNIFICANT ACCOUNTING POLICIES  
& NOTES TO FINANCIAL STATEMENTS

1 & 2

As per our report of even date

**FOR R KOTHARI & COMPANY  
CHARTERED ACCOUNTANTS**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**R JALAN**  
Director

Sd/-  
**P KEDIA**  
Director

Place : Kolkata  
Dated : the 01st day of September, 2014

**NOTE1: SIGNIFICANT ACCOUNTING POLICIES:**

**A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

- i) The financial statements have been prepared under historical cost accounting, in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956.
- ii) The Books of Accounts are maintained on accrual concept, unless stated otherwise.
- iii) Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

**B. MISCELLANEOUS EXPENDITURE**

Preliminary expenses will be written off over a period of five years from the commencement of commercial activities.

**C. PRE-OPERATIVE EXPENSES**

Pre-operative expenses will be appropriately accounted for after the commencement of commercial activities.

**D. PROVISIONS & CONTINGENT LIABILITIES**

A provision is recognized when there is a present obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are disclosed after an evaluation of the facts and legal aspects of the matters involved.

**E. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumption that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

# INFINITY RESIDENCES PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.01: SHARE CAPITAL</u></b>		
<b>Authorised</b> 50,000 (Previous Year 50,000) Equity Shares of Rs.10/- each	500,000	500,000
<b>Issued, Subscribed &amp; Paid Up</b> 45,500 (Previous Year 45,500) Equity Shares of Rs.10/- each fully paid up.	455,000	455,000
	<b>455,000</b>	<b>455,000</b>
<b>Reconciliation of Share Capital (In Numbers)</b>		
Shares Outstanding at the Beginning of the Year	45,500	45,500
Shares Outstanding at the Closing of the Year	45,500	45,500
<b>Reconciliation of Share Capital</b>		
Shares Outstanding at the Beginning of the Year	455,000	455,000
Shares Outstanding at the Closing of the Year	455,000	455,000
<b>Terms/ rights attached to Equity Shares</b> 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 one vote per share. The Dividend proposed by the Board of Directors is subject to the approval of shareholders. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.		
<b>Equity Shares in Company held by Holding Company</b> Infinity BNKe Infocity Private Limited & its Nominees	45,500	45,500
<b>List of Shareholders Holding more than 5% of shares (In Numbers)</b> Infinity BNKe Infocity Private Limited & its Nominees	45,500	45,500
<b><u>Note 2.02: RESERVES &amp; SURPLUS</u></b>		
<b>Securities Premium Account</b>		
Opening Balance	6,745,000	6,745,000
Closing Balance	<b>6,745,000</b>	<b>6,745,000</b>
<b><u>Note 2.03: OTHER CURRENT LIABILITIES</u></b>		
Advance from Related Party (Refer Note No. 2.08)	80,000	15,000
Expenses Payable	10,112	25,212
	<b>90,112</b>	<b>40,212</b>

# INFINITY RESIDENCES PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.04: OTHER NON CURRENT ASSETS</u></b>		
Preliminary Expenses	39,312	39,312
	39,312	39,312
Pre Operative Expenses		
Balance Brought Forward	88,146	21,875
Audit Fees	10,112	10,112
Rates & Taxes	21,400	51,112
Miscellaneous Expenses	4,468	5,047
	124,126	88,146
	<b>163,438</b>	<b>127,458</b>
<b><u>Note 2.05: CASH AND CASH EQUIVALENTS</u></b>		
Balance with Bank	24,464	10,544
	<b>24,464</b>	<b>10,544</b>
<b><u>Note 2.06: SHORT TERM LOANS &amp; ADVANCES</u></b>		
<b>Unsecured, Considered Good</b>		
Advances (Recoverable in cash or in kind, or for value to be received)	7,102,210	7,102,210
	<b>7,102,210</b>	<b>7,102,210</b>



## INFINITY RESIDENCES PRIVATE LIMITED

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### **NOTE 2.07: CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**

The estimated amount of contracts net of advances remaining to be executed on capital account as on 31.03.2014 is Rs. 6,16,099/- (P.Y Rs. Rs. 6,16,099/-). Stamp Duty and Registration Fees for the same is to be provided when agreement is executed.

### **NOTE 2.08: RELATED PARTY DISCLOSURES**

#### **A. Relations**

- (i) Holding Company : Infinity BNKe Infocity Pvt. Ltd.  
(Holding 100% equity in the Company)
- (ii) Ultimate Holding Company : Infinity Infotech Parks Ltd.  
(Holding 100% equity in Infinity BNKe Infocity Pvt. Ltd.)
- (iii) Other/ Associates : Infinity Ashiana Pvt. Ltd.  
: Infinity Knowledge City Projects Pvt. Ltd.  
: Magnitude Infrastructure Pvt. Ltd.  
: Snowwhite Infrastructure Pvt. Ltd.
- (iv) Key Management Personnel : Mr. R Jalan

Note: Related party relationship is as identified by the Company and relied upon by the Auditor

#### **B. Transactions with related parties during the financial year**

<b>Name of Related Party</b>	<b>Nature Of Transaction</b>	<b>Transaction during the year Rs.</b>	<b>Balance as at 31.03.2014 Rs.</b>
Infinity BNKe Infocity Pvt. Ltd.	Advances Received	65,000 (15,000)	80,000 (15,000)

**NOTE 2.09: OTHER DISCLOSURES**

- A. The disclosure requirements of Accounting Standard- 17 on Segment Reporting, Accounting Standard- 20 on Earnings per Share and Accounting Standard- 22 on Accounting for Taxes on Income are not applicable to the Company as it is yet to start its commercial activities. Since the Company is not having any employee the disclosure requirements of Accounting Standard – 15 on Employee Benefits is not applicable.
- B. The Company is yet to start commercial activities and accordingly Statement of Profit & Loss has not been prepared. Expenses incurred up to 31.03.2014 amounting to Rs. 124,126/- (Previous Year Rs. 88,146/-) has been transferred to Pre-Operative Expenses. Refer **Note No.2.04**.
- C. Based upon information available with the Company, there is no balance due to Micro and Small Enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006. There is no interest liability either paid or payable under the terms of the said Act.
- D. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**As per our Report of even date  
FOR R.KOTHARI & COMPANY  
CHARTERED ACCOUNTANTS**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**R JALAN**  
Director

Sd/-  
**P KEDIA**  
Director

**Place: Kolkata**

**Dated: the 01<sup>st</sup> day of September, 2014**

# INFINITY RESIDENCES PRIVATE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31.03.2014 Rs.	Year ended 31.03.2013 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Operating Profit before Working Capital Changes	-	-
Adjustment for :		
Pre Operative Expenses	(36,080)	(66,271)
Trade/Other Payables	50,000	30,100
<b>Net Cash from/(used) in Operating Activities</b>	<b>13,920</b>	<b>(36,171)</b>
<b>INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>13,920</b>	<b>(36,171)</b>
Cash and Cash Equivalents at the Beginning	10,544	46,715
<b>Cash and Cash Equivalents at the Close</b>	<b>24,464</b>	<b>10,544</b>

As per our report of even date

**FOR R KOTHARI & COMPANY  
CHARTERED ACCOUNTANTS**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**R JALAN**  
Director

Sd/-  
**P KEDIA**  
Director

Place : Kolkata

Dated : the 01st day of September, 2014

# 7th ANNUAL REPORT 2013 - 2014

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## DIRECTORS

Mr. P Kedia

Mr. P Bajoria

Mr. S Kalbalia

## AUDITORS

R Kothari & Company

Chartered Accountants

16A Shakespeare Sarani

Kolkata 700071

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# MAGNITUDE INFRASTRUCTURE PRIVATE LIMITED

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## **DIRECTORS' REPORT TO THE MEMBERS**

Your Directors have pleasure in presenting the 7<sup>th</sup> Annual Report together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2014.

### **FINANCIAL RESULTS AND GENERAL REVIEW**

During the year under review, the Company has not under taken any commercial activities. All the expenses incurred upto 31<sup>st</sup> March, 2014 amounting to Rs.265,327/- (Previous Year Rs.176,216/-) has been treated as Pre-Operative Expenses and therefore no Statement of Profit and Loss has been prepared for the year ended on 31<sup>st</sup> March, 2014.

### **THE COMPANIES ACT, 2013**

The Ministry of Corporate Affairs (MCA) has notified 282 sections of the Companies Act, 2013 in tranches in September, 2013 and March 2014 with majority of the Sections as well as the rules being notified in March 2014 and made effective from 1st April, 2014. The Companies Act, 1956 continues to be in force to the extent of the corresponding provisions of the new Act which are yet to be notified. MCA vide its circular dated April 4, 2014 has clarified that the Financial statements and documents annexed thereto, auditor's report and board's report in respect of the Financial year that has commenced earlier than April 1, 2014 shall be governed by the provisions of the Companies Act, 1956 and accordingly, the Financial statements and documents annexed thereto, auditor's report and board's report and the attachments thereto have been prepared in accordance with the provisions of the Companies Act, 1956. With respect to the other provisions of the Act, appropriate references have been made in this report to the extent these provisions have become applicable effective April 1, 2014.

### **DIRECTORS**

During the year under review, Mr. Gouri Shankar Bajoria resigned as a Director of the Company with effect from 19<sup>th</sup> December, 2013. The Board place on record its high appreciation and gratitude for the valuable services rendered by him during his tenure as Director of the Company.

Mr. Satish Kumar Kalbalia was appointed as an Additional Director of the Company with effect from 19<sup>th</sup> December, 2013 in terms of Section 161 of the Companies Act, 2013 and holds office only upto the date of ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing his name for the office of Director.

Mr. Piyush Kedia, retires by rotation at the ensuing Annual General Meeting and, being eligible offer himself for re-appointment pursuant to Section 152 of the Companies Act, 2013 and Articles of Association of the Company.

# MAGNITUDE INFRASTRUCTURE PRIVATE LIMITED

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The Board of Directors of your Company recommends the appointment/re-appointment of the above Directors at the ensuing Annual General Meeting.

## **DEPOSITS**

Your Company has not accepted any deposits under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance with Section 217(2AA) of the Companies Act, 1956 the Directors, to the best of their knowledge and belief confirm:

1. That for the preparation of the Accounts for the year ended 31<sup>st</sup> March, 2014 the applicable accounting standards have been followed along with a proper explanation relating to material departures.
2. That the Directors have selected such accounting policies as mentioned in Note No. 1 of the Annual Accounts and applied them consistently and made such judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31<sup>st</sup> March, 2014.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2014 on a "going concern basis."

## **SECRETARIAL COMPLIANCE CERTIFICATE**

Pursuant to Section 383A of the Companies Act, 1956, inserted by the Companies (Amendment) Act, 2000, the Compliance Certificate from a Secretary in practice for the year ended 31<sup>st</sup> March, 2014 is annexed herewith and forms part of this report.

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

As the Company is yet to start operations and in view of the nature of activities which are carried on by the Company, the particulars as prescribed under Section 217(1)(e) of the Act, read with Rule 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 concerning Conservation of Energy and Technology Absorption respectively, are not applicable to the Company.

During the year under review, there was no foreign exchange earnings and outgo.

# MAGNITUDE INFRASTRUCTURE PRIVATE LIMITED

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## **PARTICULARS OF EMPLOYEES**

The Company has no employee during the year and as such particulars of employees required to be disclosed in terms of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, are not applicable to the Company.

## **AUDITORS' REPORT**

The Notes on Accounts referred to by the Auditors in their Report are self-explanatory and require no further explanation.

## **AUDITORS**

M/s. R Kothari & Company, Chartered Accountants, (Firm Registration No. 307069E) the Statutory Auditors of the Company, retire as Auditors of your Company at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office of Auditors, if re-appointed.

As required under the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the Company has obtained written consent from the Auditors to such re-appointment and also a certificate to the effect that their re-appointment, if made, would be in conformity within the limits specified in Section 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment. The Auditors shall be appointed for a term of five years and shall hold office from the conclusion of the ensuing Annual General Meeting till conclusion of the 12<sup>th</sup> Annual General Meeting of the Company (subject to ratification of their re-appointment at every Annual General Meeting). Your Directors recommended their re-appointment as the Statutory Auditors at the ensuing Annual General Meeting.

## **ACKNOWLEDGEMENT**

Your Directors place on record their sincere appreciation for the valuable contributions and continued co-operations received by the Company from its bankers, other associates of the Company and Statutory Authorities.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-**  
**P KEDIA**  
**Director**

**Sd/-**  
**P BAJORIA**  
**Director**

**Place: Kolkata**

**Dated: The 01<sup>st</sup> day of September, 2014**

**COMPLIANCE CERTIFICATE**

(In Terms Of Section 383A (1) Of The Companies Act, 1956 and Rule 3(1) of the Companies  
(Compliance Certificate) Rules, 2001)

Registration No. of the Company: 21 – 119489  
CIN No. of the Company: U45209WB2007PTC119489  
Nominal Capital: Rs. 15,000,000/-  
Paid up Capital: Rs. 8,429,520/-

To,  
The Members,  
**M/s. MAGNITUDE INFRASTRUCTURE PRIVATE LIMITED**  
**(Subsidiary of a Public Limited Company)**  
Infinity, Plot A-3, Block-GP, Sector-V,  
Salt Lake Electronics Complex  
**Kolkata - 700091**

We have examined the registers, records, books and papers of **M/s. MAGNITUDE INFRASTRUCTURE PRIVATE LIMITED** (“the Company”) as required to be maintained under the Companies Act, 1956 (“the Act”) and the rules made thereunder and also the provisions contained in the Memorandum & Articles of Association of the Company for the financial year ended 31<sup>st</sup> March, 2014 (“financial year”). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure - `A' to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure - `B' to this certificate, with the Ministry of Corporate Affairs (Registrar of Companies), Regional Director, Central Government, Company Law Board or other Authorities within the time prescribed under the Act and the rules made there under.
3. The Company, being a Subsidiary of a Public Limited Company under section 4(1)(c), the restrictive clauses as provided in Section 3(1)(iii) are not applicable.
4. The Meeting of the Board of Directors of the Company duly held 4 (Four) times respectively on 27.06.2013, 26.09.2013, 19.12.2013 and 22.03.2014 in respect of which meetings, proper notices were given and the proceedings were properly signed and recorded in the Minutes Book maintained for the purpose.
5. The Company was not required to close its Register of Members during the financial year under review.



6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March, 2013 was held on 1<sup>st</sup> August, 2013 after giving due notices to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. One Extra-Ordinary General Meeting was held on 24<sup>th</sup> March, 2014, during this financial year after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minutes book maintained for the purpose.
8. The Company has not advanced any loans to its directors or persons or firms or companies 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 as required to be 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 Central Government.
12. The Company has not issued any duplicate Share Certificates during the financial year.
13.
  - i) There was no allotment / transfer / transmission of securities during the financial year.
  - ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
  - iii) The Company was not required to post warrants to any member of the company as no dividend was declared during the financial year.
  - iv) The Company was not required to transfer any amount to Investor Education and Protection Fund during the financial year.
  - v) The Company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. The appointment of additional Directors and Resignation of Director have been duly made under the provisions of the Companies Act, 1956.

15. The Company has not appointed any Managing Director / Whole-time Director / Manager during the financial year, as there was no need to do so as per Section 269 of the Act.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and /or such Authorities prescribed under the various provisions of the Act during the financial Year.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the act and the rules made thereunder.
19. The Company has not issued any shares / debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any Preference Shares or Debentures, hence the redemption of the same during the financial year does not arise.
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 deposits including any unsecured loans falling within the purview of Section 58A and 58AA read with Companies (Acceptance of Deposit ) Rules, 1975, during the financial year.
24. The Company has not made any borrowings during the financial year 31<sup>st</sup> March, 2014.
25. The Company has not made any loans and investments, or given any guarantees or provided securities to other bodies corporate during the financial year.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the financial year under scrutiny.

27. The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was / were no prosecutions initiated against or show cause notices received by the Company for alleged offences under the Act and no fines and penalties or any other punishment was imposed on the company during the financial year for offences under the Act.
32. As the Company does not have any employees, hence it has not received any money as security from employees in terms of Section 417(1) of the Act during the financial year.
33. As the Company does not have any employees, the provisions of Section 418 of the Act are not applicable, consequently it was not required to deduct any contribution towards the Provident Fund during the financial year.

**Place: Kolkata**  
**Date: 01<sup>st</sup> Day of September, 2014**

**Signature:**  
**For S. R. Associates**  
**(Company Secretaries)**

**Sd/-**  
**Geeta Shukla**  
**Partner**  
**(C.P.No. 7741)**

**ANNEXURE - 'A'**

**STATUTORY REGISTERS AS MAINTAINED BY THE COMPANY**

1.	Minutes Book of the Meetings of the Board of Directors of the Company	U/s 193
2.	Minutes Book of General Body Meetings of the Members of the Company	U/s 193
3.	Register of Members	U/s 150
4.	Register of Transfers	U/s 108
5.	Register of particulars of Contracts, Companies and firms in which Directors are interested	U/s 301
6.	Register of Directors, Managing Director, Manager and Secretary	U/s 303
7.	Register of Directors Shareholding	U/s 307
8.	Books of Accounts	U/s 209
9.	Returns	U/s 163
10.	Register of Directors and Shareholders Attendance	---

**ANNEXURE - 'B'**

**Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other Authorities during the financial year ending 31<sup>st</sup> March, 2014 :**

<b>Form No/ Return</b>	<b>Filed Under Section</b>	<b>For</b>	<b>SRN No.</b>	<b>Date of Filing</b>	<b>Whether filed within prescribed time YES/NO</b>	<b>If delay in filing whether requisite additional fees paid YES/NO</b>
Form 66	383(A) & Rule 3(2)	Compliance Certificate in respect of financial year 2012-13	Q09964248	08/08/2013	YES	NO
Form 23AC/ACA	220	Balance Sheet and Profit & Loss A/c. in respect of financial year 2012-13	Q10499846	28/08/2013	YES	NO
Form 20B	159	Annual Return made upto 01.08.2013	Q11347069	18/09/2013	YES	NO
Form 32		Appointment of Additional Director and Resignation of Director	B94611423	27/01/2014	NO	YES
Form 5	95	Increase in Authorised Share Capital from 1 Crore to 1.5 Crore	B76054683	30/05/2013	NO	YES

*R. Kothari & Company*  
*CHARTERED ACCOUNTANTS*  
*16A Shakespeare Sarani, Kolkata - 700071*

## **INDEPENDENT AUDITORS' REPORT**

**To**

**The Members of**

**MAGNITUDE INFRASTRUCTURE PRIVATE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of MAGNITUDE INFRASTRUCTURE PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014 and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information. Statement of Profit and Loss has not been prepared as referred to in Point No.iii of Note 2.09 of 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 13th 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.

### **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 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 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.

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, 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 & 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 Sub-Section (3) of Section 227 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 account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

- d. 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 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
- e. On the basis of written representations received from the directors as on March 31, 2014, 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**  
**(Firm Registration No.307069E)**

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**  
**(Membership No.057620)**

**Place : Kolkata**

**Dated : The 01<sup>st</sup> day of September, 2014**

## **ANNEXURE TO INDEPENDENT AUDITORS REPORT**

### **Referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirement” of our report of even date**

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:-

- i. The Company does not have any fixed assets, so the provision of clause (a) to (c) are not applicable to the Company;
- ii. As the Company does not have any inventory, so the provision of clause (a) to (c) are not applicable to the Company;
- iii. (a) According to the information and explanation given to us, the Company during the year 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;  
(b) According to the information and explanation given to us, the Company has not taken any loan, secured or unsecured from Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956;
- iv. In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the company and the nature of its business. During the course of our audit, no major persistent weakness has been noticed in the internal control;
- v. (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered;  
(b) In our opinion and according to the information, explanations and representation given to us, no transactions have been made during the year in pursuance of contracts or arrangements entered in the registers maintained under Section 301 and exceeding the value of five lakh rupees in respect of any party;
- vi. The Company has, during the year, not accepted any deposit from the public;
- vii. The Company is yet to introduce a system of Internal Audit. The management of the Company is of view that considering the volume & nature of transactions at present, the formal introduction of Internal Audit system is not necessary and it shall be introduced in due course;



- viii. According to the information and explanations given by the Management and to the best of our knowledge, maintenance of Cost Records as prescribed by Central Government under section 209(1)(d) of the Companies Act, 1956 are not applicable to the Company;
- ix. (a) According to the records of the Company, it has generally been regular in depositing undisputed statutory dues including service tax, income tax and other statutory dues as applicable to it and no undisputed statutory dues were outstanding as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they became payable;
- (b) There is no disputed dues on account of service tax, income tax and other statutory dues not paid by the Company;
- x. The Company is yet to start commercial activities and accordingly Statement of Profit & Loss has not been prepared. Therefore, the provision of this clause is not applicable to the Company;
- xi. As per information and explanations given to us, the Company has no dues to any financial institution or bank or debenture holders;
- xii. As explained to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities;
- xiii. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provision of this clause is not applicable to the Company;
- xiv. In our opinion, the Company has maintained proper records of transactions and contracts relating to dealing or trading in shares, securities, debentures and other investments during the year and timely entries have been made therein. Further, such securities have been held by the Company in its own name except exemption provided u/s. 49 of the Companies Act, 1956;
- xv. According to the information and explanations given to us and the representation made by the management, the Company has not given any guarantee for loans taken by others from banks or financial institutions;
- xvi. As the Company does not have any term loan, so the provision of this clause is not applicable to the Company;
- xvii. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we are of the opinion that, prima facie no funds raised on short term basis have been used for long-term purposes;

- xviii. We report that the Company, during the year, 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. According to the information and explanations given to us, the Company has not issued any debentures;
- xx. The Company has not raised any money by public issue during the year under report;
- xxi. According to the information and explanations given by the Management, and to the best of our knowledge and belief, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

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

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**  
**(Membership No.057620)**

**Place : Kolkata**

**Dated : The 01<sup>st</sup> day of September, 2014**

# MAGNITUDE INFRASTRUCTURE PRIVATE LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at 31.03.2014 Rs.		As at 31.03.2013 Rs.	
<b><u>EQUITY AND LIABILITIES</u></b>					
<b>I. SHAREHOLDERS' FUNDS</b>					
Share Capital	2.01	8,429,520		8,429,520	
Reserves & Surplus	2.02	74,965,680		74,965,680	
			83,395,200		83,395,200
<b>II. CURRENT LIABILITIES</b>					
Other Current Liabilities	2.03	7,110,236		37,039,719	
			7,110,236		37,039,719
			<b>90,505,436</b>		<b>120,434,919</b>
<b><u>ASSETS</u></b>					
<b>I. NON CURRENT ASSETS</b>					
Non Current Investments	2.04	81,000,000		100,054,000	
Other Non Current Assets	2.05	439,995		350,884	
			81,439,995		100,404,884
<b>II. CURRENT ASSETS</b>					
Cash & Cash Equivalents	2.06	9,065,441		30,035	
Short Term Loans & Advances	2.07	-		20,000,000	
			9,065,441		20,030,035
			<b>90,505,436</b>		<b>120,434,919</b>

The Accompanying Notes are an Integral Part of the Financial Statements

1 & 2

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**P KEDIA**  
Director

Sd/-  
**P BAJORIA**  
Director

Place : Kolkata  
Dated : the 01st day of September, 2014

## **Note 1: Significant Accounting Policies**

### **A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

- a) The financial statements have been prepared under historical cost accounting, in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956.
- b) The Books of Accounts are maintained on accrual concept, unless stated otherwise.
- c) Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

### **B. REVENUE RECOGNITION**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Dividend Income is recognised when right to receive is established.

### **C. INVESTMENTS**

Long Term Investments are stated at cost. Provision for diminution is made when such diminution is considered other than temporary in nature.

### **D. MISCELLANEOUS EXPENDITURE**

Preliminary expenses will be written off over a period of five years from the commencement of commercial activities.

### **E. PRE-OPERATIVE EXPENSES**

Pre-operative expenses will be appropriately accounted for after the commencement of commercial activities.

### **F. PROVISIONS & CONTINGENT LIABILITIES**

A provision is recognized when there is a present obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are disclosed after an evaluation of the facts and legal aspects of the matters involved.

### **G. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumption that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

# MAGNITUDE INFRASTRUCTURE PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.01: SHARE CAPITAL</u></b>		
<b>Authorised</b> 1,500,000 (Previous Year 1,500,000) Equity Shares of Rs.10/- each	15,000,000	15,000,000
<b>Issued, Subscribed &amp; Paid Up</b> 842,952 (Previous Year 842,952) Equity Shares of Rs.10/- each fully paid up.	8,429,520	8,429,520
	<b>8,429,520</b>	<b>8,429,520</b>
<b>Reconciliation of Share Capital (In Numbers)</b>		
Shares Outstanding at the Beginning of the Year	842,952	842,952
Shares Outstanding at the Closing of the Year	842,952	842,952
<b>Reconciliation of Share Capital</b>		
Shares Outstanding at the Beginning of the Year	8,429,520	8,429,520
Shares Outstanding at the Closing of the Year	8,429,520	8,429,520
<b>Terms/Rights Attached to Shares</b> The Company has only one class of Equity Shares having a Par Value of Rs.10/- per Share. Each Shareholder is eligible for one vote per Share. The Dividend proposed by the Board of Directors is subject to the approval of shareholders. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.		
<b>Equity Shares in Company held by Holding Company</b> Infinity BNKe Infocity Private Limited & its Nominees	842,952	842,952
<b>List of Shareholders Holding more than 5% Shares (In Numbers)</b> Infinity BNKe Infocity Private Limited & its Nominees	842,952	842,952
<b><u>Note 2.02: RESERVES &amp; SURPLUS</u></b>		
<b>Securities Premium Account</b>		
Opening Balance	74,965,680	74,965,680
Closing Balance	<b>74,965,680</b>	<b>74,965,680</b>
<b><u>Note 2.03: OTHER CURRENT LIABILITIES</u></b>		
Advance From Related Party [Refer Note No. 2.08]	85,517	-
Expenses Payable	24,719	39,719
Share Application Money (Refundable)	7,000,000	37,000,000
	<b>7,110,236</b>	<b>37,039,719</b>

# MAGNITUDE INFRASTRUCTURE PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b>Note 2.04: NON CURRENT INVESTMENTS</b>		
<b>Investment in Equity Instruments - At Cost (Trade, Unquoted, Fully Paid Up)</b>		
<b>In Associate Companies</b>		
Brajbhumi Nirmaan Pvt. Ltd. [ 750,000 (Previous Year 1,000,000) Equity Shares of Rs.10/- each ].	37,500,000	50,000,000
Bahubali Tradecom Pvt. Ltd. [ NIL (Previous Year 5,000) Equity Shares of Rs.10/- each ].	-	50,000
<b>In Other Companies</b>		
Mayapur Commercial Pvt. Ltd. [ NIL (Previous Year 100) Equity Shares of Rs.10/- each ].	-	1,000
Neobeam Agents Pvt. Ltd. [ NIL (Previous Year 100) Equity Shares of Rs.10/- each ].	-	1,000
Rosewood Agencies Pvt. Ltd. [ NIL (Previous Year 100) Equity Shares of Rs.10/- each ].	-	1,000
Nexus Vintrade Pvt. Ltd. [ NIL (Previous Year 100) Equity Shares of Rs.10/- each ].	-	1,000
<b>Investment in Preference Shares - At Cost (Trade, Unquoted, Fully Paid Up)</b>		
<b>In Associate Companies</b>		
Brajbhumi Nirmaan Pvt. Ltd. [ 435,000 (Previous Year 500,000) 1% Redeemable Non Cumulative Optionally Convertible Preference Shares of Rs.100/- each ].	43,500,000	50,000,000
	<b>81,000,000</b>	<b>100,054,000</b>
<b>Note 2.05: OTHER NON CURRENT ASSETS</b>		
Preliminary Expenses	174,668	174,668
	174,668	174,668
<b>Pre Operative Expenses</b>		
Balance Brought Forward	176,216	130,474
Audit Fees	22,472	22,472
Miscellaneous Expenses	5,522	1,270
Rates & Taxes	61,117	22,000
	265,327	176,216
	<b>439,995</b>	<b>350,884</b>
<b>Note 2.06: CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	2,738	4,338
Balance with Banks	9,062,703	25,697
	<b>9,065,441</b>	<b>30,035</b>
<b>Note 2.07: SHORT TERM LOANS &amp; ADVANCES</b>		
<b>Unsecured, Considered Good</b>		
Share Application Money (Given)	-	20,000,000
	-	<b>20,000,000</b>

# MAGNITUDE INFRASTRUCTURE PRIVATE LIMITED

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## **Note 2.08: Related Party Disclosures**

### A. Relations

- (i) Holding Company : Infinity Infotech Parks Limited  
(Holding 100% equity in the Holding Company)  
: Infinity BNKe Infocity Pvt. Ltd.  
(Holding 100% equity in the Company)
- (ii) Other/ Associates : Infinity Residences Pvt. Ltd.  
: Infinity Ashiana Pvt. Ltd.  
: Infinity Knowledge City Projects Pvt. Ltd.  
: Snowwhite Infrastructure Pvt. Ltd.  
: Brajbhumi Nirmaan Pvt. Ltd.
- (iii) Key Management Personnel : Mr. Piyush Bajoria

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

- B. Transaction carried out with related parties referred in A above, in ordinary course of business:

<b>Related Party</b>	<b>Nature of Transaction</b>	<b>Transaction During The Year</b>	<b>Balance As on 31-03-2014</b>
Brajbhumi Nirmaan Pvt. Ltd.	Share Application Given	- (-)	- (20,000,000)
	Share Application Refund	20,000,000 (-)	
	Advance Received	5,000,000 (-)	- (-)
	Advance Given	5,000,000 (-)	
	Sale of Investments	54,000 (-)	- (-)
Infinity BNKe Infocity Pvt. Ltd.	Advance Received	12,085,517 (-)	85,517 (-)
	Advance Given	12,000,000 (-)	

Note: Figures in bracket represent previous year's amounts.

# MAGNITUDE INFRASTRUCTURE PRIVATE LIMITED

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## **Note 2.09: Other Disclosures**

- i. The disclosure requirements of Accounting Standard- 17 on Segment Reporting, Accounting Standard- 20 on Earnings per Share and Accounting Standard- 22 on Accounting for Taxes on Income are not applicable to the Company as it is yet to start its commercial activities. Since the Company is not having any employee the disclosure requirements of Accounting Standard- 15 on Employee Benefit is not applicable.
- ii. Since the Company does not have any Fixed Assets, no disclosure and recognition in this regard has been made as per Accounting Standard- 28.
- iii. The Company is yet to start commercial activities and accordingly Statement of Profit & Loss has not been prepared. Expenses incurred up to 31.03.2014 amounting to Rs.265,327/- (Previous Year Rs.176,216/-) has been transferred to Pre-Operative Expenses as per Note No.2.05.
- iv. Based upon information available with the Company, there is no balance due to Micro and Small Enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006. There is no interest liability either paid or payable under the terms of the said Act.
- v. Figures for the previous year have been regrouped and / or rearranged, wherever necessary.

As per our report of this date attached.

**For R KOTHARI & COMPANY**  
**Chartered Accountants**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**

**Sd/-**  
**P KEDIA**  
**Director**

**Sd/-**  
**P BAJORIA**  
**Director**

**Place : Kolkata**

**Dated: The 01<sup>st</sup> day of September, 2014**



# MAGNITUDE INFRASTRUCTURE PRIVATE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31.03.2014 Rs.	Year ended 31.03.2014 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Operating Profit before Working Capital Changes	-	-
Adjustment for :		
Loans and Advances	20,000,000	16,500
Pre Operative Expenses	(89,111)	(45,741)
Trade/Other Payables	(29,929,483)	11,000
<b>Net Cash used in Operating Activities</b>	<b>(10,018,594)</b>	<b>(18,241)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of Investments	19,054,000	-
<b>Net Cash from Investing Activities</b>	<b>19,054,000</b>	<b>-</b>
<b>INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>9,035,406</b>	<b>(18,241)</b>
Cash and Cash Equivalents at the Beginning	30,035	48,276
<b>Cash and Cash Equivalents at the Close</b>	<b>9,065,441</b>	<b>30,035</b>

This is the cash flow statement referred to in our report on even date

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**P KEDIA**  
Director

Sd/-  
**P BAJORIA**  
Director

Place : Kolkata

Dated : the 01st day of September, 2014

# 7th ANNUAL REPORT 2013 - 2014

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## DIRECTORS

Mr. G S Bajoria

Mr. P Bajoria

Mr. R Bhawsingha

## AUDITORS

R Kothari & Company  
Chartered Accountants  
16A Shakespeare Sarani  
Kolkata 700071

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# SNOWWHITE INFRASTRUCTURE PRIVATE LIMITED

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## **DIRECTORS' REPORT TO THE MEMBERS**

Your Directors have pleasure in presenting the 7<sup>th</sup> Annual Report together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2014.

### **FINANCIAL RESULTS AND GENERAL REVIEW**

The Company is in the process of developing the real estate project at Vrindavan, Mathura. All the expenses incurred upto 31<sup>st</sup> March, 2014 has been transferred to Work In Progress pending allocation for ongoing project of the Company amounting to Rs.59,647,224/- (Previous Year Rs.32,200,906/-) includes Pre-Operative expenses amounting to Rs.49,503,694/- (Previous Year Rs.27,533,769/-) and therefore no Statement of Profit and Loss has been prepared for the year ended on 31<sup>st</sup> March, 2014.

### **THE COMPANIES ACT, 2013**

The Ministry of Corporate Affairs (MCA) has notified 282 sections of the Companies Act, 2013 in tranches in September, 2013 and March 2014 with majority of the Sections as well as the rules being notified in March 2014 and made effective from 1st April, 2014. The Companies Act, 1956 continues to be in force to the extent of the corresponding provisions of the new Act which are yet to be notified. MCA vide its circular dated April 4, 2014 has clarified that the Financial statements and documents annexed thereto, auditor's report and board's report in respect of the Financial year that has commenced earlier than April 1, 2014 shall be governed by the provisions of the Companies Act, 1956 and accordingly, the Financial statements and documents annexed thereto, auditor's report and board's report and the attachments thereto have been prepared in accordance with the provisions of the Companies Act, 1956. With respect to the other provisions of the Act, appropriate references have been made in this report to the extent these provisions have become applicable effective April 1, 2014.

### **DIRECTORS**

During the year under review, Mr. Piyush Kedia resigned as a Director of the Company with effect from 19<sup>th</sup> December, 2013. The Board place on record its high appreciation and gratitude for the valuable services rendered by him during his tenure as Director of the Company.

Mr. Rakesh Kumar Bhawsinghka was appointed as an Additional Director of the Company with effect from 19<sup>th</sup> December, 2013 in terms of Section 161 of the Companies Act, 2013 and holds office only upto the date of ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing his name for the office of Director.

# SNOWWHITE INFRASTRUCTURE PRIVATE LIMITED

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Mr. Piyush Bajoria, retires by rotation at the ensuing Annual General Meeting and, being eligible offer himself for re-appointment pursuant to Section 152 of the Companies Act, 2013 and Articles of Association of the Company.

The Board of Directors of your Company recommends the appointment/re-appointment of the above Directors at the ensuing Annual General Meeting.

## **DEPOSITS**

Your Company has not accepted any deposits under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance with Section 217(2AA) of the Companies Act, 1956 the Directors, to the best of their knowledge and belief confirm:

1. That for the preparation of the Accounts for the year ended 31st March, 2014 the applicable accounting standards have been followed along with a proper explanation relating to material departures.
2. That the Directors have selected such accounting policies as mentioned in Note No. 1 of the Annual Accounts and applied them consistently and made such judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31<sup>st</sup> March, 2014.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2014 on a "going concern basis."

## **SECRETARIAL COMPLIANCE CERTIFICATE**

Pursuant to Section 383A of the Companies Act, 1956, inserted by the Companies (Amendment) Act, 2000, the Compliance Certificate from a Secretary in practice for the year ended 31<sup>st</sup> March, 2014 is annexed herewith and forms part of this report.

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

As the Company is yet to start operations and in view of the nature of activities which are carried on by the Company, the particulars as prescribed under Section 217(1)(e) of the Act, read with Rule 2A and 2B of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 concerning Conservation of Energy and Technology Absorption respectively, are not applicable to the Company.

During the year under review, there was no foreign exchange earnings and outgo.

# SNOWWHITE INFRASTRUCTURE PRIVATE LIMITED

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## **PARTICULARS OF EMPLOYEES**

During the year under review, none of the employee were employed at a remuneration exceeding the amount as specified u/s 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended.

## **AUDITORS' REPORT**

The Notes on Accounts referred to by the Auditors in their Report are self-explanatory and require no further explanation.

## **AUDITORS**

M/s. R Kothari & Company, Chartered Accountants, (Firm Registration No. 307069E) the Statutory Auditors of the Company, retire as Auditors of your Company at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office of Auditors, if re-appointed.

As required under the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the Company has obtained written consent from the Auditors to such re-appointment and also a certificate to the effect that their re-appointment, if made, would be in conformity within the limits specified in Section 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment. The Auditors shall be appointed for a term of five years and shall hold office from the conclusion of the ensuing Annual General Meeting till conclusion of the 12<sup>th</sup> Annual General Meeting of the Company (subject to ratification of their re-appointment at every Annual General Meeting). Your Directors recommended their re-appointment as the Statutory Auditors at the ensuing Annual General Meeting.

## **ACKNOWLEDGEMENT**

Your Directors place on record their sincere appreciation for the valuable contributions and continued co-operations received by the Company from its bankers, other associates of the Company and Statutory Authorities.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-**  
**G S BAJORIA**  
**Director**

**Sd/-**  
**P BAJORIA**  
**Director**

**Place: Kolkata**

**Dated: The 01<sup>st</sup> day of September, 2014**

## **COMPLIANCE CERTIFICATE**

(In Terms Of Section 383A (1) Of The Companies Act, 1956 and rule 3(1) of the Companies  
(Compliance Certificate) Rules, 2001)

Registration No. of the Company: 21 – 114626  
CIN No. of the Company: U45400WB2007PTC114626  
Nominal Capital: Rs. 10,000,000/-  
Paid up Capital: Rs. 10,000,000/-

To,  
The Members,  
**M/s. SNOWWHITE INFRASTRUCTURE PRIVATE LIMITED**  
(Subsidiary of a Public Limited Company)  
Infinity Plot A-3, Block-GP, Sector-V,  
Salt Lake Electronics Complex  
Kolkata - 700091

We have examined the registers, records, books and papers of **M/s. SNOWWHITE INFRASTRUCTURE PRIVATE LIMITED** (“the Company”) as required to be maintained under the Companies Act, 1956 (“the Act”) and the rules made thereunder and also the provisions contained in the Memorandum & Articles of Association of the Company for the financial year ended 31<sup>st</sup> March, 2014 (“financial year”). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure - `A' to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure - `B' to this certificate, with the Ministry Of Corporate Affairs (Registrar of Companies) , Regional Director, Central Government, Company Law Board or other Authorities within the time prescribed under the Act and the rules made there under.
3. The Company, being a Subsidiary of a Public Limited Company under section 4(1)(c), the restrictive clauses as provided in Section 3(1)(iii) are not applicable.
4. The Board of Directors duly met 4 (Four) times respectively on 27.06.2013, 20.07.2013, 19.12.2013 and 22.03.2014 in respect of which meetings, proper notices were given and the proceedings were properly signed and recorded in the Minutes Book maintained for the purpose.
5. The Company was not required to close its Register of Members during the financial year under review.

6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March, 2013 was held on 1<sup>st</sup> August, 2013 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minute Book maintained for the purpose.
7. The Company has not convened any Extra-Ordinary General Meeting during this financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies 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 Central Government.
12. The Company has not issued any duplicate Share Certificates during the financial year.
13.
  - i) There was no allotment / transfer / transmission of securities during the financial year.
  - ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
  - iii) The Company was not required to post warrants to any member of the company as no dividend was declared during the financial year.
  - iv) The Company was not required to transfer any amount to Investor Education and Protection Fund during the financial year.
  - v) The Company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. The appointment of Additional Director and Resignation of Director have been duly made during the financial year.
15. The Company has not appointed any Managing Director / Whole-time Director / Manager during the financial year
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and /or such Authorities prescribed under the various provisions of the Act during the financial Year.

18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the Provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares / debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has not issued any Preference Shares or Debentures; hence the question of redemption does not arise.
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 deposits including any unsecured loans falling within the purview of Section 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975, during the financial year.
24. The Company has not made any borrowings during the financial year 31<sup>st</sup> March, 2014.
25. The Company has given corporate guarantee to other bodies corporate in compliance with the provisions of the Act during the financial year.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was / were no prosecutions initiated against or show cause notices received by the Company for alleged offences under the Act and no fines and penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.



32. The Company has not received any amount as security from its employees during the year under certification. Hence, the deposit of same as per provisions of Section 417(1) of the Act was not required.
33. The provisions of the Provident Fund pursuant to Section 418 of the Act are not applicable to the Company.

**Place: Kolkata**  
**Date: 01/09/2014**

**Signature:**  
**For S. R. Associates**  
**(Company Secretaries)**

**Sd-**

**Geeta Shukla**  
**Partner**  
**(C.P. No.7741)**

**ANNEXURE - 'A'**

**STATUTORY REGISTERS AS MAINTAINED BY THE COMPANY**

1.	Minutes Book of the Meetings of the Board of Directors of the Company	U/s 193
2.	Minutes Book of General Body Meetings of the Members of the Company	U/s 193
3.	Register of Members	U/s 150
4.	Register of Transfers	U/s 108
5.	Register of particulars of Contracts, Companies and firms in which Directors are interested	U/s 301
6.	Register of Directors, Managing Director, Manager and Secretary	U/s 303
7.	Register of Directors Shareholding	U/s 307
8.	Register of Charges	U/s 143
9.	Books of Accounts	U/s 209
10.	Returns	U/s 163
11.	Register of Directors and Shareholders Attendance	---

**ANNEXURE - 'B'**

**Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other Authorities during the financial year ending 31<sup>st</sup> March, 2014 :**

<b>Form No/ Return</b>	<b>Filed Under Section</b>	<b>For</b>	<b>SRN No.</b>	<b>Date of Filing</b>	<b>Whether filed within prescribed time YES/NO</b>	<b>If delay in filing whether requisite additional fees paid YES/NO</b>
Form 66	383(A) & Rule 3(2)	Compliance Certificate in respect of financial year 2012-13	Q10395465	26/08/2013	YES	NO
Form 23AC/ACA	220	Balance Sheet and Profit & Loss A/c. in respect of financial year 2012-13	Q10415529	26/08/2013	YES	NO
Form 20B	159	Annual Return made upto 01.08.2013	Q11056694	12/09/2013	YES	NO
Form 8	125	Creation of Charge of Rs.10 crore as on 06/08/2013	B83460964	03/09/2013	YES	NO
Form 32		Appointment of Additional Director and Resignation of Director	B93948297	17/01/2014	YES	NO
Form 8	125	Modification of Charge of Rs.12 crore as on 08/01/2014	B94610458	27/01/2014	YES	NO

*R. Kothari & Company*  
**CHARTERED ACCOUNTANTS**  
*16A Shakespeare Sarani, Kolkata - 700071*

## **INDEPENDENT AUDITORS' REPORT**

**To**

**The Members of**

**SNOWWHITE INFRASTRUCTURE PRIVATE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of SNOWWHITE INFRASTRUCTURE PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014 and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information. Statement of Profit and Loss has not been prepared as referred to in Point No.v of Note 2.15 of 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 13th 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.

### **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 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 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.

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, 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 & 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 Sub-Section (3) of Section 227 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 account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The Balance Sheet and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

- d. 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 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
- e. On the basis of written representations received from the directors as on March 31, 2014, 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**  
**(Firm Registration No.307069E)**

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**  
**(Membership No.057620)**

**Place : Kolkata**

**Dated : the 01<sup>st</sup> day of September, 2014**

## **ANNEXURE TO INDEPENDENT AUDITORS REPORT**

### **Referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirement” of our report of even date**

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:-

- i.(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management during the year and in our opinion, the frequency of such verification is reasonable. No material discrepancies were noticed on such verification;
- (c) There was no disposal of fixed assets during the year;
- ii.(a) The management has conducted physical verification of inventory at reasonable intervals during the year;
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to size of the Company and the nature of its business;
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification;
- iii.(a) According to the information and explanation given to us, the Company during the year 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;
- (b) According to the information and explanation given to us, the Company has not taken any loan, secured or unsecured from Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956;
- iv. In our opinion and according to the information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the company and the nature of its business. During the course of our audit, no major persistent weakness has been noticed in the internal control;
- v.(a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered;

(b) In our opinion and according to the information, explanations and representation given to us, no transactions have been made during the year in pursuance of contracts or arrangements entered in the registers maintained under Section 301 and exceeding the value of five lakh rupees in respect of any party;

vi. The Company has, during the year, not accepted any deposit from the public;

vii. The Company is yet to introduce a system of Internal Audit. The management of the Company is of view that considering the volume & nature of transactions at present, the formal introduction of Internal Audit system is not necessary and it shall be introduced in due course;

viii. According to the information and explanations given by the Management and to the best of our knowledge, maintenance of Cost Records as prescribed by Central Government under section 209(1)(d) of the Companies Act, 1956 are not applicable to the Company;

ix.(a) According to the records of the Company, it has generally been regular in depositing undisputed statutory dues including service tax, income tax and other statutory dues as applicable to it and no undisputed statutory dues were outstanding as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they became payable;

(b) There are no disputed dues on account of service tax, income tax and other statutory dues not paid by the Company;

x. The Company is yet to start commercial activities and accordingly Statement of Profit & Loss has not been prepared. Therefore, the provision of this clause is not applicable to the Company;

xi. As per information and explanations given to us, the Company has no dues to any financial institution or bank or debenture holders;

xii. As explained to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities;

xiii. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provision of this clause is not applicable to the Company;

xiv. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not made any transactions and contracts relating to dealing or trading in shares, securities, debentures and other investments during the year;

- xv. The company has given guarantee for loan taken by its ultimate holding from bank. According to the information and explanations given to us, and the representation made by the management, we are of the opinion that the terms & conditions thereof are not prima facie prejudicial to the interest of the Company.
- xvi. As the Company does not have any term loan, so the provision of this clause is not applicable to the Company;
- xvii. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we are of the opinion that, prima facie no funds raised on short term basis have been used for long-term purposes;
- xviii. We report that the Company, during the year, 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. According to the information and explanations given to us, the Company has not issued any debentures;
- xx. The Company has not raised any money by public issue during the year under report;
- xxi. According to the information and explanations given by the Management, and to the best of our knowledge and belief, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

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

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**  
**(Membership No.057620)**

**Place : Kolkata**

**Dated : the 01<sup>st</sup> day of September, 2014**



# SNOWWHITE INFRASTRUCTURE PRIVATE LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at 31.03.2014 Rs.		As at 31.03.2013 Rs.	
<b><u>EQUITY AND LIABILITIES</u></b>					
<b>I. SHAREHOLDERS' FUNDS</b>					
Share Capital	2.01	10,000,000		10,000,000	
Reserves & Surplus	2.02	166,249,800		166,249,800	
			176,249,800		176,249,800
<b>II. NON CURRENT LIABILITIES</b>					
Long Term Provisions	2.03	28,768		12,329	
			28,768		12,329
<b>III. CURRENT LIABILITIES</b>					
Short Term Borrowings	2.04	162,500,000		162,500,000	
Trade Payables		278,100		1,103,101	
Other Current Liabilities	2.05	157,967,645		167,927,246	
Short Term Provisions	2.06	28,768		12,329	
			320,774,513		331,542,676
			<b>497,053,081</b>		<b>507,804,805</b>
<b>ASSETS</b>					
<b>I. NON CURRENT ASSETS</b>					
Fixed Assets	2.07				
Tangible Assets		225,310,016		225,385,890	
Other Non Current Assets	2.08	172,856		172,856	
			225,482,872		225,558,746
<b>II. CURRENT ASSETS</b>					
Inventories	2.09	59,647,224		32,200,906	
Cash & Cash Equivalents	2.10	550,526		786,763	
Short Term Loans & Advances	2.11	211,359,591		249,245,000	
Other Current Assets	2.12	12,868		13,390	
			271,570,209		282,246,059
			<b>497,053,081</b>		<b>507,804,805</b>

The Accompanying Notes are an Integral Part of the Financial Statements

1 & 2

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**G S BAJORIA**  
Director

Sd/-  
**P BAJORIA**  
Director

Place : Kolkata  
Dated : the 01st day of September, 2014

## **Note 1: Significant Accounting Policies**

### **A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

- a) The financial statements have been prepared under historical cost accounting, in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956.
- b) The Books of Accounts are maintained on accrual concept, unless stated otherwise.
- c) Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.

### **B. REVENUE RECOGNITION**

Revenue from Real Estate Project is recognised upon transfer of all significant risks & rewards of ownership to the buyers, which generally coincide with the firming of the sale agreements and when it is reasonably certain that the ultimate collection will be made and no significant uncertainty exists regarding the amount of consideration.

However, where the Company still has obligation to perform substantial acts even after the transfer of all significant risks and rewards, revenue is recognized on Percentage of Completion Method (POC) when the criteria specified in the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by Institute of Chartered Accountants of India are satisfied. The stage of completion under the POC method is measured on the basis of percentage that actual costs incurred on Real Estate projects including land, construction and development cost bears to the total estimated cost of the project. The estimates of the projected revenues, projected profits, projected costs, costs to completion and the forceable loss are reviewed periodically by the management and any effect of changes in estimates is recognized in the period such changes are determined.

### **C. FIXED ASSETS**

Fixed Assets have been stated at cost less accumulated depreciation.

### **D. DEPRECIATION**

Depreciation has been provided on prorata basis on Straight Line Method as per the rates prescribed under Schedule XIV of the Companies Act, 1956.

### **E. INVENTORIES**

#### **a) WORK IN PROGRESS**

The value of Work in Progress is aggregate of construction and Development Expenses, Materials, Borrowing costs, other overheads relating to projects under construction. Work in Progress is valued at cost.

b) Completed Real Estate Projects are valued at lower of cost or net realizable value.

## **F. BORROWING COST**

Borrowing cost attributable to the construction of qualifying assets as defined in Accounting Standard - 16 on Borrowing Cost, are capitalized as part of the cost of construction. Other borrowing cost is expensed as incurred.

## **G. EMPLOYEE BENEFITS**

Provision for Leave Entitlement is accrued and provided on the basis of balance leave at the close of the year.

## **H. MISCELLANEOUS EXPENDITURE**

Preliminary expenses will be written off over a period of five years from the commencement of commercial activities.

## **I. PRE-OPERATIVE EXPENSES**

Pre-operative expenses will be appropriately accounted for after the commencement of commercial activities.

## **J. PROVISIONS & CONTINGENT LIABILITIES**

A provision is recognized when there is a present obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are disclosed after an evaluation of the facts and legal aspects of the matters involved.

## **K. USE OF ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumption that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

# SNOWWHITE INFRASTRUCTURE PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b>Note 2.01: SHARE CAPITAL</b>		
<b>Authorised</b> 1,000,000 (Previous Year 1,000,000) Equity Shares of Rs.10/- each	10,000,000	10,000,000
<b>Issued, Subscribed &amp; Paid Up</b> 1,000,000 (Previous Year 1,000,000) Equity Shares of Rs.10/- each fully paid up.	10,000,000	10,000,000
	<b>10,000,000</b>	<b>10,000,000</b>
<b>Reconciliation of Share Capital (In Numbers)</b> Shares Outstanding at the Beginning of the Year	1,000,000	1,000,000
Shares Outstanding at the Closing of the Year	1,000,000	1,000,000
<b>Reconciliation of Share Capital</b> Shares Outstanding at the Beginning of the Year	10,000,000	10,000,000
Shares Outstanding at the Closing of the Year	10,000,000	10,000,000
<b>Terms/Rights Attached to Shares</b> The Company has only one class of Equity Shares having a Par Value of Rs.10/- per Share. Each Shareholder is eligible for one vote per Share. The Dividend proposed by the Board of Directors is subject to the approval of shareholders. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company in proportion of their shareholding.		
<b>Equity Shares in Company held by Holding Company</b> Infinity BNKe Infocity Private Limited & its Nominees	1,000,000	1,000,000
<b>List of Shareholders Holding more than 5% Shares (In Numbers)</b> Infinity BNKe Infocity Private Limited & its Nominees	1,000,000	1,000,000
<b>Note 2.02: RESERVES &amp; SURPLUS</b>		
<b>Securities Premium Account</b> Opening Balance	166,249,800	166,249,800
Closing Balance	<b>166,249,800</b>	<b>166,249,800</b>
<b>Note 2.03: LONG TERM PROVISIONS</b>		
Provision for Employee Benefits	28,768	12,329
	<b>28,768</b>	<b>12,329</b>
<b>Note 2.04: SHORT TERM BORROWINGS</b>		
<b>Secured</b> From Other Parties [ Secured by mortgage of land (admeasuring 5.443 acres) situated at Vrindavan, Distt: Mathura, U. P. ].	120,000,000	120,000,000
<b>Unsecured</b> Loans from Bodies Corporate	42,500,000	42,500,000
	<b>162,500,000</b>	<b>162,500,000</b>

# SNOWWHITE INFRASTRUCTURE PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.05: OTHER CURRENT LIABILITIES</u></b>		
Advance from Related Parties [ Refer Note No. 2.14 ]	156,750,000	166,690,000
Expenses Payable	39,354	105,038
Interest Accrued but not Due	801,291	801,291
Statutory Liabilities	377,000	330,917
	<b>157,967,645</b>	<b>167,927,246</b>
<b><u>Note 2.06: SHORT TERM PROVISIONS</u></b>		
Provision for Employee Benefits	28,768	12,329
	<b>28,768</b>	<b>12,329</b>

# SNOWWHITE INFRASTRUCTURE PRIVATE LIMITED

## Note 2.07: FIXED ASSETS

DESCRIPTION OF ASSETS	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK
	As at 01/04/2013	Additions	Deductions / Adjustments	As at 31/03/2014	Upto 31/03/2013	Additions	Adjustments	Upto 31/03/2014	As at 31/03/2014
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b><u>Tangible</u></b>									
Land - Freehold	224,674,730	-	-	224,674,730	-	-	-	-	224,674,730
	(192,267,320)	(32,407,410)	(-)	(224,674,730)	(-)	(-)	(-)	-	(224,674,730)
Motor Vehicle	798,675	-	-	798,675	87,515	75,874	-	163,389	635,286
	(798,675)	-	(-)	(798,675)	(11,641)	(75,874)	(-)	(87,515)	(711,160)
<b>Total</b>	<b>225,473,405</b>	<b>-</b>	<b>-</b>	<b>225,473,405</b>	<b>87,515</b>	<b>75,874</b>	<b>-</b>	<b>163,389</b>	<b>225,310,016</b>
	<b>(193,065,995)</b>	<b>(32,407,410)</b>	<b>(-)</b>	<b>(225,473,405)</b>	<b>(11,641)</b>	<b>(75,874)</b>	<b>(-)</b>	<b>(87,515)</b>	<b>(225,385,890)</b>

Note: Figures in bracket represent previous year's amounts.

# SNOWWHITE INFRASTRUCTURE PRIVATE LIMITED

	As at 31.03.2014 Rs.	As at 31.03.2013 Rs.
<b><u>Note 2.08: OTHER NON CURRENT ASSETS</u></b>		
Preliminary Expenses	172,856	172,856
	<b>172,856</b>	<b>172,856</b>
<b><u>Note 2.09: INVENTORIES</u></b>		
Work - In - Progress		
Building Work In Progress	10,143,530	4,667,137
Pre - Operative Expenses		
Balance Brought Forward	27,533,769	17,846,834
Audit Fees	22,472	22,472
Depreciation	75,874	75,874
Employment Benefit Expenses	432,898	324,658
Finance Charges	19,800,000	8,690,324
Rates & Taxes	23,332	41,404
Rent	106,000	-
Miscellaneous Expenses	1,509,349	532,203
	<b>59,647,224</b>	<b>32,200,906</b>
<b><u>Note 2.10: CASH AND CASH EQUIVALENTS</u></b>		
Cash on Hand	199,854	201,212
Balance with Banks	350,672	585,551
	<b>550,526</b>	<b>786,763</b>
<b><u>Note 2.11: SHORT TERM LOANS &amp; ADVANCES</u></b>		
<b>Unsecured, Considered Good</b>		
Advance to Related Party [ Refer Note No. 2.14 ]	255,000	225,000
Advances (Recoverable in Cash or in kind or for Value to be received)	201,135,000	241,130,000
Advance against Projects	8,690,000	7,890,000
Service Tax Receivable	1,264,591	-
Security Deposit	15,000	-
	<b>211,359,591</b>	<b>249,245,000</b>
<b><u>Note 2.12: OTHER CURRENT ASSETS</u></b>		
Prepaid Expenses	12,868	13,390
	<b>12,868</b>	<b>13,390</b>

## **Note 2.13: Contingent Liabilities and Commitments (To the Extent Not Provided For)**

i. The estimated amount of contracts, net of advances remaining to be executed on capital account as on 31.03.2014 Rs.21,537,200/- (Previous Year Rs.15,592,500/-).

ii. Corporate guarantee given to the bankers of Infinity Infotech Parks Ltd. the ultimate holding company for Overdraft facility availed by them amounting to Rs.100,000,000/- (Previous Year Rs.NIL).

## **Note 2.14: Related Party Disclosures**

### A. Relations

- |                                |  |
|--------------------------------|--|
| (i) Holding Company            | : Infinity Infotech Parks Limited<br>(Holding 100% equity in the Holding Company)  |
|                                | : Infinity BNKe Infocity Pvt. Ltd.<br>(Holding 100% equity in the Company)   |
| (ii) Other/ Associates         | : Infinity Residences Pvt. Ltd.<br>: Infinity Ashiana Pvt. Ltd.<br>: Infinity Knowledge City Projects Pvt. Ltd.<br>: Magnitude Infrastructure Pvt. Ltd.<br>: Bhubaneshwar IT Park Projects Pvt. Ltd.<br>: Profile Infinity Infrastructures Pvt. Ltd. |
| (iii) Key Management Personnel | : Mr. G S Bajoria  |

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.



# SNOWWHITE INFRASTRUCTURE PRIVATE LIMITED

B. Transaction carried out with related parties referred in A above, in ordinary course of business:

<b>Related Party</b>	<b>Nature of Transaction</b>	<b>Transaction During The Year</b>	<b>Balance As on 31-03-2014</b>
Infinity BNKe Infocity Pvt. Ltd.	Advance – Received	26,610,000	-
	– Given	(45,265,000) 28,300,000 (43,575,000)	(1,690,000)
Infinity Infotech Parks Ltd.	Advance – Received	49,900,000	156,750,000
	Advance – Given	(165,000,000) 58,150,000 (-)	(165,000,000)
Infinity Ashiana Pvt. Ltd.	Advance – Given	30,000 (225,000)	255,000 (225,000)

Note: Figures in bracket represent previous year's amounts.

## **Note 2.15: Other Disclosures**

- i. The disclosure requirements of Accounting Standard- 17 on Segment Reporting; Accounting Standard- 20 on Earnings per Share and Accounting Standard- 22 on Accounting for Taxes on Income are not applicable to the Company as it is yet to start its commercial activities.
- ii. In the opinion of the Management, there is no impairment of the assets to which Accounting Standard- 28 applies requiring any recognition.
- iii. The provisions of Employee's Provident Fund and Miscellaneous Provisions Act, 1952 and The Payment of Gratuity Act, 1972 are not applicable to the Company.
- iv. Infinity Infotech Parks Limited the ultimate holding company has availed overdraft facility from Karnatka Bank Ltd. for Rs.100,000,000/- and in respect of the said facility the Company has created equitable mortgage on Land situated at Khasra no.605,606 & 611 measuring 1.092,.864 & 0.348 hectares equivalent to 5.693 acres in vrindavan, U.P. to secure the said credit facility.
- v. The Company has decided to develop a Real Estate Project & commercial activities in respect of the said project are yet to be started, accordingly no Statement of Profit & Loss has been prepared. Work In Progress pending allocation for ongoing project of the Company amounting to Rs.59,647,224/- (Previous Year Rs.32,200,906/-) includes Pre-Operative expenses amounting to Rs.49,503,694/- (Previous Year Rs.27,533,769/-).

# SNOWWHITE INFRASTRUCTURE PRIVATE LIMITED

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vi. Based upon information available with the Company, there is no balance due to Micro and Small Enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006. There is no interest liability either paid or payable under the terms of the said Act.

vii. Figures for the previous year have been regrouped and / or rearranged, wherever necessary.

As per our report of this date attached.

**For R KOTHARI & COMPANY**  
**Chartered Accountants**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-**  
**KAILASH CHANDRA SONI**  
**Partner**

**Sd/-**  
**G S BAJORIA**  
**Director**

**Sd/-**  
**P BAJORIA**  
**Director**

**Place : Kolkata**

**Dated: the 01<sup>st</sup> day of September, 2014**

# SNOWWHITE INFRASTRUCTURE PRIVATE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31.03.2014 Rs.	Year ended 31.03.2013 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Operating Profit before Working Capital Changes	-	-
Adjustment for :		
Loans and Advances/Other Assets	37,885,931	(241,338,390)
Work - In - Progress	(27,370,444)	(14,057,598)
Trade/Other Payables	(10,751,724)	168,149,260
<b>Net Cash used in Operating Activities</b>	<b>(236,237)</b>	<b>(87,246,728)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-	(32,407,410)
<b>Net Cash used in Investing Activities</b>	<b>-</b>	<b>(32,407,410)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/(Decrease) in Borrowings	-	117,500,000
<b>Net Cash from Financing Activities</b>	<b>-</b>	<b>117,500,000</b>
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(236,237)</b>	<b>(2,154,138)</b>
Cash and Cash Equivalents at the Beginning	786,763	2,940,901
<b>Cash and Cash Equivalents at the Close</b>	<b>550,526</b>	<b>786,763</b>

This is the cash flow statement referred to in our report on even date

As per our report of this date attached

**For R KOTHARI & COMPANY**  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**KAILASH CHANDRA SONI**  
Partner

Sd/-  
**G S BAJORIA**  
Director

Sd/-  
**P BAJORIA**  
Director

Place : Kolkata

Dated : the 01st day of September, 2014