

DRASHTI DEVELOPERS PVT LTD

Directors' Report

To the Shareholders

Your directors have pleasure in submitting their 5th Annual Report and Audited Accounts of the Company for the year ended 31st March, 2012.

	For the Year ended 31-03- 2012	For the Year ended 31-03- 2011
	(Rs.)	(Rs.)
WORKING RESULTS:		
Profit/ (Loss) Before Exceptional and Extraordinary Items and Tax	(5,88,365)	(5,00,114)
Less: Provision for Taxation	0	0
Profit / (Loss) After Taxation	(5,88,365)	(5,00,114)
Profit / (Loss) for the period	(5,88,365)	(5,00,114)
Balance Profit/ (Loss) Brought Forward from Previous Year	(12,63,852)	(7,63,736)
Profit Available for Appropriation	0	0
Balance of Profit/ (Loss) carried forward to Balance Sheet	(18,52,217)	(12,63,852)

Operations

There are no significant transactions during the year under report except for administrative and other expenses incurred.

Particulars of Employees

There was no employee in receipt of remuneration prescribed under Section 217(2A) of the Companies Act, 1956.

Directors

One of your Directors, Mr. Manikant R Shah, retires by rotation and being eligible offers himself for re-appointment.

DIRECTOR'S RESPONSIBILITY STATEMENT:

As required under section U/s 217 (2AA) of the Companies Act 1956, ("the Act") we hereby state :

1. that in the preparation of annual accounts, the applicable accounting standards have been followed along with proper disclosure of departures, if any;

2. that the accounting policies are applied consistently and reasonable and prudent judgments and estimates are made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2012 and its Loss for the year under review;
3. that proper and sufficient care has been taken to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the annual accounts have been prepared on a going concern basis.

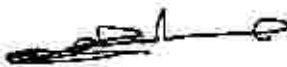
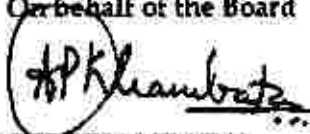
Auditors

The Auditors, Naresh N. Shah, Chartered Accountants, Mumbai retire as Auditors of the Company at the ensuing Annual General Meeting and are eligible for reappointment.

The information required under Section 217 (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 in regard to conservation of Energy and Technology absorption is not relevant and no particulars arise in the Company's case.

The Company had no foreign exchange earnings and outgoing during the year under review.

On behalf of the Board

 (MANIKANT SHAH) DIRECTOR	 (ADIL KHAMBATA) DIRECTOR
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Registered Office:
70, Nagindas Master Road, Fort,
Mumbai - 400 023.

11th June, 2012

NARESH N. SHAH

B.Com. (Hons) A. C. A

Naresh N. Shah
Chartered Accountants

17, Mithia, Cama Lane,
Ghatkopar (West),
Mumbai - 400 086

AUDITOR'S REPORT

To,
The Members of,
DRASHTI DEVELOPERS PRIVATE LIMITED

We have audited the attached Balance Sheet of DRASHTI DEVELOPERS PRIVATE LIMITED as at 31st March 2012 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

An Audit is conducted in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation and we believe that audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order 2003, as amended from time to time, issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the order;
2. Further to our comments in the Annexure referred to Paragraph 1 above; we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of the books of accounts.




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- c. The Balance Sheet and Profit and Loss Account referred to this Report are in agreement with the books of accounts.
- d. In our opinion, the Balance Sheet and Profit and Loss Account comply with the accounting standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956.
- e. On the basis of the written representations received from the Directors as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on the balance sheet date, from being appointed as a Director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.

In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes therein, give the information required by the Companies Act, 1956, in the manner so required and give a true and a fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
- b) In the case of the Profit & Loss Account, of the "LOSS" for the year ended on that date; and
- c) In the case of Cash Flow Statement of the cash flows for the year ended on that date.

PLACE : MUMBAI
DATED: 11 JUN 2012



For NARESH N. SHAH,
CHARTERED ACCOUNTANTS
(Signature)
(NARESH N. SHAH)
PROPRIETOR

NARESH N. SHAH

B.Com. (Hons) A. C. A

Naresh N. Shah
Chartered Accountants

17, Mithila, Cama Lane,
Ghatkopar (West),
Mumbai - 400 086

ANNEXURE "1" REFERRED TO IN OUR REPORT OF EVEN DATE ON THE ACCOUNTS OF DRASHTI DEVELOPERS PRIVATE LIMITED FOR THE YEAR ENDED 31ST MARCH, 2012.

- (i) The Company does not have any fixed assets.
- (ii) The Company does not have any inventory.
- (iii) (a) The Company has not granted any secured or unsecured loan to a company covered in the register maintained under Section 301 of the Companies Act, 1956.

(b) The Company has taken unsecured loan from a party listed in the register maintained under Section 301 of the Companies Act, 1956 involving maximum amount of loan taken during the year amounted to Rs. 53,94,187/-, which is year end balance and includes interest accrued on loan amounting to Rs. 13,94,187/-.

(c) The other terms and conditions of the loan taken by the Company are not, prima facie, prejudicial to the interest of the Company.

(d) In respect of loan taken by the Company no stipulations have been fixed for the repayment.
- (iv) In our opinion and according to information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of materials, fixed assets. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.
- (v) According to information and explanations given to us, we are of the opinion that there are no transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public within the meaning of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and rules framed there under.

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- (vii) The Company does not have an internal audit system.
- (viii) The provisions of maintenance of Cost Records under Section 209 (1) (d) of the Companies Act, 1956 in respect of services provided by Company are not applicable.
- (ix) (a) The Company is regular in depositing undisputed statutory dues, including Provident fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth-Tax, Service-Tax, Customs Duty, Excise Duty, Cess and any other statutory dues applicable to it. According to the information and explanations given to us and the records examined by us, there are no undisputed amounts payable in respect of aforesaid dues which were outstanding as at 31st March, 2012 or a period of more than six months from the day they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues outstanding on account of any dispute.
- (x) The Company has accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial year.
- (xi) According to the information and explanations given to us, the company has not taken any loan from the bank.
- (xii) According to the information and explanations given to us, the Company has not granted any loans and advance on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the nature of the activities of the Company does not attract any special statute applicable to a chit fund and nidhi/ mutual benefit fund/ societies.
- (xiv) According to the information and explanations given to us, the Company is not dealing in shares, securities, debentures and other investments.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company has not raised funds on short term basis.
- (xvii) The Company has not made any preferential allotment of shares to parties or companies covered under section 301 of the Act.

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- (xviii) The Company has not issued any debentures during the year.
- (xix) The Company has not raised any money through a public issue during the year.
- (xx) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

PLACE : MUMBAI

DATED: 11 JUN 2012



For NARESH N. SHAH,
CHARTERED ACCOUNTANTS


(NARESH N. SHAH)
PROPRIETOR

DRASHTI DEVELOPERS PRIVATE LIMITED

Balance Sheet as at 31st March, 2012

	PARTICULAR	NOTE NO.	As at	As at
			31-Mar-2012	31-Mar-2011
			Rupees	Rupees
I. EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital	2	500,000.00	100,000.00	
(b) Reserves and surplus	3	(1,852,217.00)	(1,263,852.00)	
2 Non-current liabilities				
(a) Long-term borrowings	4	4,000,000.00	4,100,000.00	
3 Current liabilities				
(a) Other current liabilities	5	1,456,527.00	1,120,355.00	
TOTAL		4,104,310.00	4,056,503.00	
II. ASSETS				
1 Non-current assets				
(a) Other non-current assets	6	4,038,503.00	4,038,503.00	
2 Current assets				
(a) Cash and cash equivalents	7	65,807.00	18,000.00	
TOTAL		4,104,310.00	4,056,503.00	
Significant Accounting Policies & Notes to Accounts	1			

As per my report of even date

For NARESH N. SHAH

CHARTERED ACCOUNTANTS



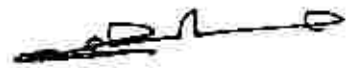

(NARESH N. SHAH)

PROPRIETOR

Membership No.35261

Mumbai, Dated : 11 JUNE 2012

For and on Behalf of the Board



(M. R. SHAH)



(A. P. KHAMBATA)

DIRECTORS

DRASHTI DEVELOPERS PRIVATE LIMITED
Profit and loss statement for the year ended 31st March, 2012

PARTICULARS	Note No.	Year ended	Year ended
		31-Mar-2012	31-Mar-2011
		Rupees	Rupees
I. Other income		-	-
II. Total Revenue		-	-
III. Expenses:			
Finance costs			
Interest Paid		563,404	490,284
Other expenses			
Auditor's Remuneration:			
Audit Fees		6,000	6,000
Profession Tax		2,500	2,500
ROC Filing Fees		800	400
Professional Fees		2,000	900
Sundry Expenses		30	30
Share Issue Expenses		13,410	-
Bank Charges		221	-
Total expenses		588,365	500,114
IV. Profit / (Loss) before tax (II-III)		(588,365)	(500,114)
V. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
VI. Profit / (Loss) for the period (IV - V)		(588,365)	(500,114)
VII. Earnings per equity share:			
(1) Basic		(11.77)	(50.01)
(2) Diluted		(11.77)	(50.01)

As per my report of even date
For NARESH N. SHAH
CHARTERED ACCOUNTANTS

(NARESH N. SHAH)
PROPRIETOR
Membership No.35261

Mumbai, Dated : 7th 1st JUN 2012



For and on Behalf of the Board

(M. R. SHAH)

(A. P. KHAMBATA)

(A. P. KHAMBATA)
DIRECTORS

DRASHTI DEVELOPERS PRIVATE LIMITED

Cash Flow Statement for the year ended	31st March, 2012		31st March, 2011	
	Amount	Amount	Amount	Amount
(A) Cash from Operating Profit Activities :				
Profit & Loss as per Profit & Loss account before Taxation		(588,365)		(500,114)
Operating Profit / Loss Before working capital changes		(588,365)		(500,114)
Adjustments For :				
Increase / (Decrease) In Current Liabilities		336,172		440,743
Net Cash Flow from Operating Activities		(252,193)		(59,371)
(B) Cash Flow from Investing Activities				
Net Cash Flow from Investing Activities		-		-
(C) Cash Flow from Financing Activities				
Issue of Shares / Debentures		400,000		-
Proceeds / Repayments from Borrowings		(100,000)		50,000
Net Cash Flow from Financing Activities		300,000		50,000
Net Increase in Cash & Cash equivalents (A+B+C)		47,807		(9,371)
Cash & Cash Equivalents at beginning of Period		18,000		27,371
Cash & Cash Equivalents at end of period		65,807		18,000

As per my report of even date
For NARESH N. SHAH
CHARTERED ACCOUNTANTS




(NARESH N. SHAH)
PROPRIETOR
Membership No. 35261

Mumbai, Dated : 13.4 JUN 2012

For and on Behalf of the Board



(M. R. SHAH)



(A. P. KHAMBATA)
DIRECTORS

DRASHTI DEVELOPERS PRIVATE LIMITED

NOTE 1:

I. SIGNIFICANT ACCOUNTING POLICIES:

A. General:

The Company adopts the accrual concept in the preparation of the accounts, which is in accordance with the requirements of the Companies Act, 1956.

II. NOTES ON ACCOUNTS :

A. During the F.Y. 2008-09, the Company entered into Deed of Assignment with Bio Tech Envirocare Systems Ltd. ('the Assignor'), whereby the Assignor has assigned its right to receive dues from The Svadeshi Mills Co. Limited in favour of the Company. Pursuant to the said Deed, the Company paid a sum of Rs. 40,38,503/- to the Assignor on behalf of The Svadeshi Mills Co. Limited (In liquidation) ("The Svadeshi"). The amount so paid is classified as 'Advances recoverable in cash or in kind or for value to be received' in the Accounts. The Company has also informed The Official Liquidator of "The Svadeshi", regarding the discharge of dues to the Assignor and has requested the liquidator to replace the name of the Assignor with the name of the Company in the books of accounts of "The Svadeshi". Taking into account the revival plan of "The Svadeshi" as placed before the Board for Industrial and Financial Reconstruction, the management of the Company is of the opinion that the debt is good for recovery.

B. Figures have been rounded off to nearest rupee.

<u>C. Earning Per Share</u>	<u>2011-12</u>	<u>2010-11</u>
Face Value Per Share	Rs. 10/-	Rs. 10/-
Loss for the year	Rs. 5,88,365/-	Rs. 5,00,114/-
Number of shares used in computing earning per share	50,000	10,000
Earning Per Share, Basic & Diluted	Rs.(-)11.77	Rs.(-)50.01

D. Related Party Disclosure:

(i) List of Related Parties:

Parties where control exists:

Shapoorji Pallonji & Company Limited, Ultimate Holding Company

Shapoorji Data Processing Pvt. Ltd., Holding Company

The Svadeshi Mills Co. Ltd., Fellow Subsidiary Company



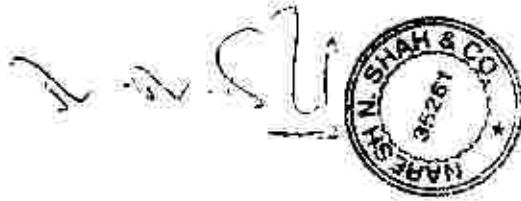
(ii) Transactions during the year with related parties are as under:

<u>Name</u>	<u>Description of Transaction</u>	<u>Amount (Rs.)</u>	<u>Outstanding Balance as on 31st March '12</u>
Shapoorji Pallonji & Company Limited	Interest Paid	563,404	1,394,187
Shapoorji Pallonji & Company Limited	Intercompany Loan Repaid	100,000	4,000,000
Svadeshi Mills Company Limited	Adv. Recoverable in cash or kind	-	4,038,503

(iii) No amounts were written off/back during the year in respect of amounts due from/to related parties.

E. Additional information as required under Part II of Schedule VI to the Companies Act, 1956, to the extent applicable : NIL

F. Till the year ended 31st March, 2011, the Company was using pre-revised Schedule VI to the Companies Act 1956, for preparation and presentation of its financial statements. During the year ended 31st March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the Company. The Company has reclassified previous year figures to conform to this year's classification. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it significantly impacts presentation and disclosures made in the financial statements, particularly presentation of balance sheet.



DRASHTI DEVELOPERS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS

	As at 31-Mar-2012 Rupees	As at 31-Mar-2011 Rupees
2 SHARE CAPITAL		
AUTHORISED :		
Equity Shares of Rs. 10/- each	500,000	100,000
	<u>500,000</u>	<u>100,000</u>
ISSUED AND SUBSCRIBED :		
Equity Shares of Rs. 10/- each	500,000	100,000
All the shares are held by Shapoorji Data Processing Pvt. Ltd., the holding company	<u>500,000</u>	<u>100,000</u>
Particulars	Equity Shares	
	Number	Rs.
Shares outstanding at the beginning of the year	10,000	100,000
Shares issued during the year	40,000	400,000
Shares bought back during the year	-	-
Shares outstanding at the end of the year	<u>50,000</u>	<u>500,000</u>
3 RESERVES & SURPLUS		
Surplus / (Deficit) in the statement of profit and loss:		
Balance as per last balance sheet	(1,263,852)	(763,738)
Add: Profit for the year		
Less: Loss for the year	(588,365)	(500,114)
	<u>(1,852,217)</u>	<u>(1,263,852)</u>
4 LONG TERM BORROWINGS		
Shapoorji Pallonji & Co. Ltd.	4,000,000	4,100,000
	<u>4,000,000</u>	<u>4,100,000</u>
5 OTHER CURRENT LIABILITIES		
Interest accrued but not due on borrowings	1,394,187	1,065,327
Audit Fees payable	6,000	6,000
TDS Liability	56,340	49,028
	<u>1,456,527</u>	<u>1,120,355</u>
6 OTHER NON CURRENT ASSETS		
Unsecured, considered good		
Svadeshi Mills Co. Ltd.(in Liquidation)	4,038,503	4,038,503
	<u>4,038,503</u>	<u>4,038,503</u>

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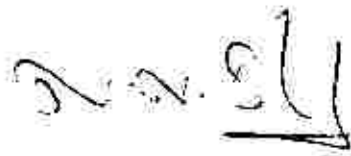
DRASHTI DEVELOPERS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS

	As at 31-Mar-2012 Rupees	As at 31-Mar-2011 Rupees
7 CASH AND BANK BALANCES		
Cash in hand	1,347	1,587
Balance in current accounts with Scheduled Banks	64,460	16,413
	65,807	18,000

As per my report of even date
For NARESH N. SHAH
CHARTERED ACCOUNTANTS

For and on Behalf of the Board





(NARESH N. SHAH)
PROPRIETOR
Membership No.35261



(M. R. SHAH)



(A. P. KHAMBATA)
DIRECTORS

Mumbai, Dated : 31 MAR 2012