

# DRASHTI DEVELOPERS PVT LTD

## Directors' Report

### To the Shareholders

Your directors have pleasure in submitting their 6<sup>th</sup> Annual Report and Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2013.

	For the Year ended 31-03- 2013	For the Year ended 31-03- 2012
	(Rs.)	(Rs.)
<b>WORKING RESULTS:</b>		
Profit/ (Loss) Before Exceptional and Extraordinary Items and Tax	(566,658)	(5,88,365)
Less: Provision for Taxation	0	0
Profit / (Loss) After Taxation	(566,658)	(5,88,365)
Profit / (Loss) for the period	(566,658)	(5,88,365)
Balance Profit/ (Loss) Brought Forward from Previous Year	(18,52,217)	(12,63,852)
Profit Available for Appropriation	0	0
Balance of Profit/ (Loss) carried forward to Balance Sheet	(2,418,875)	(18,52,217)

### 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. Adil P Khambata, 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 31<sup>st</sup> March, 2013 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

Registered Office:  
70, Nagindas Master Road, Fort,  
Mumbai - 400 023.

21<sup>st</sup> May, 2013

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**NARESH N. SHAH**

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

Naresh N. Shah  
Chartered Accountants  
17, Mithila, Cama Lane,  
Ghatkopar (West),  
Mumbai-400 086

**AUDITORS' REPORT  
TO THE MEMBERS OF DRASHTI DEVELOPERS PRIVATE LIMITED.**

**REPORT ON THE FINANCIAL STATEMENTS**

1. We have audited the attached Balance Sheet of Drashti Developers Private Limited as at 31st March 2013 and also the Statement of Profit & Loss and Cash Flow Statement for year then ended and a summary of significant accounting policies and other explanatory information.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

2. The Management is responsible for the preparation of these financial statements that give a true and a fair view of the financial position, financial performance and cash flows of the company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. 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 a fair view and are free from material misstatement whether due to fraud or error.

**AUDITOR'S RESPONSIBILITY**

3. Our responsibility is to express an opinion on these financial statements based on our audit. We have conducted our audit in accordance with Standards on Auditing ('the Standards') issued by the Institute of Chartered Accountants of India. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.
4. An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected are on a test basis depending on the auditor's judgment, evidence supporting the amounts and disclosures in the financial statements. An audit also includes evaluating the appropriateness of accounting policies and the 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 obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.



## OPINION

5. In our opinion and to the best of our information and according to the explanations given to us, the accounts subject to notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with 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, 2013;
  - (b) In the case of the Statement of Profit and Loss of the 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 AND REGULATORY REQUIREMENTS

6. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Companies Act 1956, and on the basis of such checks of the books and the records of the company and according to information and explanations given to us, we enclose in the annexure a statement on the matter as specified in paragraph 4 & 5 of the said order, to the extent applicable to the company.
7. As required by Section 227(3) of the Act, we report that :
- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the company as far as appears from our examination of those books.
  - (c) The Balance Sheet and 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 the Statement of Profit & Loss comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956.
  - (e) On the basis of written representations received from the directors as on 31st March 2013, and taken on record by the Board of Directors, none of the directors are, prima facie disqualified from being appointed as directors of the company under clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.

For Naresh N. Shah.  
Chartered Accountants



(Naresh N. Shah)  
Proprietor  
Membership No. : 35261



Mumbai

Date 29 MAY 2013

**NARESH N. SHAH**

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

Naresh N. Shah  
Chartered Accountants  
17, Mithila, Cama Lane,  
Ghatkopar (West),  
Mumbai-400 086

**ANNEXURE TO THE AUDITOR'S REPORT TO THE MEMBERS OF DRASHTI DEVELOPERS PRIVATE LIMITED FOR THE YEAR ENDED 31ST MARCH 2013.**

(Referred to in paragraph 6 of our report of even date)

- i) **Fixed Assets**  
The Company has no Fixed Assets during the year and hence Clause 4(i) of the Companies (Auditors report) Order 2003 (as amended) is not applicable.
- ii) **Inventory**  
As explained to us, the company does not have inventory. Accordingly the provision of Clause 4(ii) of the Companies (Auditors report) Order 2003 (as amended) is not applicable.
- iii) **Loans granted/taken**
  - (a) In our opinion and according to the information and explanations given to us, the company has not granted any loan, secured or unsecured to companies, firm or other parties 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. 60,48,659/-, which is year end balance and includes interest accrued on loan amounting to Rs. 19,48,659/-.
  - (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) **Internal Control**  
There are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets. During the course of our audit, no major weakness has been noticed by us in the internal control systems of the company.
- v) **Section 301**  
There have been no transactions made in pursuance of such contracts or arrangements with the company covered under Section 301 of the Companies Act, 1956; hence Clause 4(v) of the Companies (Auditors report) Order 2003 (as amended) is not applicable.



- vi) **Deposit from Public**  
The company has not accepted any deposits from the public to which the provisions of sections 58A of the Companies Act, 1956 or any other relevant provisions of the act and the rules framed there under would apply and hence Clause 4(vi) of the Companies (Auditors report) Order 2003 (as amended) is not applicable.
- vii) **Internal Audit**  
In our opinion, Clause 4 (vii) of Companies (Auditors report) Order 2003 (as amended) in respect of internal audit is not applicable.
- viii) **Cost Records**  
As explained to us, the maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.
- ix) **Payment of Statutory Dues**  
According to the information and explanations given to us, no undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues payable to appropriate authorities were outstanding as at 31<sup>st</sup> March, 2013 for a period of more than six months from the date they became payable.
- x) **Accumulated Losses / Cash Losses**  
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) **Default in repayment of Dues**  
The Company has no dues to Financial Institutions or Bank or Debenture Holders and hence Clause 4(xi) of the Companies (Auditors report) Order 2003 (as amended) in respect of default of payment of such dues is not applicable.
- xii) **Grant of Secured Loans and Advances**  
The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities and hence Clause 4(xii) of the Companies (Auditors report) Order 2003 (as amended) in respect of documentation of such securities is not applicable.
- xiii) **Special Statue- Chit Fund Companies, Nidhi / Mutual Benefit Fund / Societies**  
The company is not a Chit Fund or a Nidhi / Mutual Benefit Fund / Society and hence Clause 4(xiii) of the Companies (Auditors report) Order 2003 (as amended) is not applicable.
- xiv) **Company dealing or Trading in Shares, Securities Etc.,**  
The Company has no dealings in Shares, Securities, Debentures and other Investments and hence Clause 4(xiv) of the Companies (Auditors report) Order 2003 (as amended) is not applicable.


2013



A circular stamp of a Chartered Accountant is visible, containing the text "CHARTERED ACCOUNTANT" and the number "35261".

- xv) **Provision of Guarantee**  
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 institution and hence Clause 4(xv) of the Companies (Auditors report) Order 2003 (as amended) is not applicable.
- xvi) **Term Loans**  
According to the information and explanations given to us, the Company has not raised any term loan in the period under review and hence Clause 4(xvi) of the Companies (Auditors report) Order 2003 (as amended) is not applicable.
- xvii) **Usage of Funds**  
According to the information and explanations given to us and on overall examination of the balance sheet of the company, there are no funds raised on short-term basis, which have been used for long-term investment.
- xviii) **Preferential Allotments**  
During the year, the company has not made any preferential allotment of shares and hence Clause 4(xviii) of the Companies (Auditors report) Order 2003 (as amended) is not applicable.
- xix) **Creation of security or charge for Debenture Issue**  
No Debentures have been issued by the company and hence Clause 4(xix) of the Companies (Auditors report) Order 2003 (as amended) is not applicable.
- xx) **Disclosure of end use of Fund**  
During the year, the company has not raised money by public issue and hence the question disclosure and verification of end use of such monies does not arise.
- xxi) **Frauds**  
To the best of our knowledge and belief and according to the information and explanations given to us no fraud on or by the Company has been noticed or reported during the course of our audit.

**For Naresh N. Shah**  
Chartered Accountants



**(Naresh N. Shah)**  
Membership No. 35261  
Proprietor



Mumbai

Date 23 MAY 2013

## DRASHTI DEVELOPERS PRIVATE LIMITED

Balance Sheet as at 31st March, 2013

	PARTICULAR	NOTE NO.	As at 31-Mar-2013 Rupees	As at 31-Mar-2012 Rupees
I.	<b>EQUITY AND LIABILITIES</b>			
1	Shareholders' funds			
	(a) Share capital	2	500,000	500,000
	(b) Reserves and surplus	3	(2,418,875)	(1,852,217)
2	Non-current liabilities			
	(a) Long-term borrowings	4	4,100,000	4,000,000
3	Current liabilities			
	(a) Other current liabilities	5	1,956,714	1,456,527
	<b>TOTAL</b>		<b>4,137,839</b>	<b>4,104,310</b>
II.	<b>ASSETS</b>			
1	Non-current assets			
	(a) Other non-current assets	6	4,038,503	4,038,503
2	Current assets			
	(a) Cash and cash equivalents	7	99,336	65,807
	<b>TOTAL</b>		<b>4,137,839</b>	<b>4,104,310</b>
	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

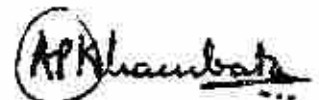
Mumbai, Dated : 2 MAY 2013



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, 2013**

PARTICULARS	Note No.	Year ended	Year ended
		31-Mar-2013	31-Mar-2012
		Rupees	Rupees
I. Other income		-	-
II. Total Revenue		-	-
III. Expenses:			
Finance costs			
Interest Paid		554,527	563,404
Other expenses			
Auditor's Remuneration:			
Audit Fees		8,000	6,000
Profession Tax		2,500	2,500
ROC Filing Fees		600	800
Professional Fees		1,000	2,000
Sundry Expenses		31	30
Share Issue Expenses		-	13,410
Bank Charges		-	221
Total expenses		566,658	588,365
IV. Profit / (Loss) before tax (II- III)		(566,658)	(588,365)
V. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
VI. Profit / (Loss) for the period (IV - V)		(566,658)	(588,365)
VII. Earnings per equity share:			
(1) Basic		(11.33)	(11.77)
(2) Diluted		(11.33)	(11.77)

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



(NARESH N. SHAM)  
PROPRIETOR  
Membership No.35261

Mumbai, Dated : 2 - MAR 2013



For and on Behalf of the Board



(M. R. SHAH)



(A. P. KHAMBATA)  
DIRECTORS

## DRASHTI DEVELOPERS PRIVATE LIMITED

Cash Flow Statement for the year ended	31st March, 2013		31st March, 2012	
	Amount	Amount	Amount	Amount
<b>(A) Cash from Operating Profit Activities :</b>				
Profit & Loss as per Profit & Loss account before Taxation		(566,658)		(588,365)
<b>Operating Profit / Loss Before working capital changes</b>		<b>(566,658)</b>		<b>(588,365)</b>
Adjustments For :				
Increase / (Decrease) in Current Liabilities		500,187		336,172
<b>Net Cash Flow from Operating Activities</b>		<b>(66,471)</b>		<b>(252,193)</b>
<b>(B) Cash Flow from Investing Activities</b>				
Net Cash Flow from Investing Activities		-		-
<b>(C) Cash Flow from Financing Activities</b>				
Issue of Shares / Debentures		-		400,000
Proceeds / Repayments from Borrowings		100,000		(100,000)
<b>Net Cash Flow from Financing Activities</b>		<b>100,000</b>		<b>300,000</b>
<b>Net Increase in Cash &amp; Cash equivalents (A+B+C)</b>		<b>33,529</b>		<b>47,807</b>
Cash & Cash Equivalents at beginning of Period		65,807		18,000
Cash & Cash Equivalents at end of period		99,336		65,807

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



(NARESH N. SHAH)  
PROPRIETOR  
Membership No.35261

Mumbai, Dated : 21 MAY 2013



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>Earning Per Share</u>	<u>2012-13</u>	<u>2011-12</u>
Face Value Per Share	Rs. 10/-	Rs. 10/-
Loss for the year	Rs. 5,66,658/-	Rs. 5,88,365/-
Number of shares used in computing earning per share	50,000	50,000
Earning Per Share, Basic & Diluted	Rs.(-)11.33	Rs.(-)11.77

#### D Related Party Disclosure:

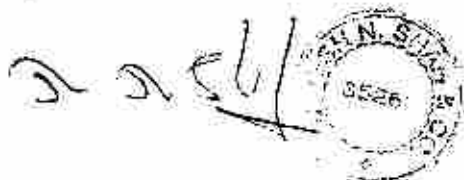
##### I List of Related Parties:

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

22/11/13  


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 '13</u>
Shapoorji Pallonji & Company Limited	Interest Paid	554,527	1,948,659
Shapoorji Pallonji & Company Limited	Intercompany Loan taken	100,000	4,100,000
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



## DRASHTI DEVELOPERS PRIVATE LIMITED

### NOTES TO FINANCIAL STATEMENTS

	As at 31-Mar-2013 Rupees	As at 31-Mar-2012 Rupees
<b>2 SHARE CAPITAL</b>		
<b>AUTHORISED :</b>		
Equity Shares of Rs. 10/- each	500,000	500,000
	<u>500,000</u>	<u>500,000</u>
<b>ISSUED AND SUBSCRIBED :</b>		
Equity Shares of Rs. 10/- each	500,000	500,000
All the shares are held by Shapoorji Data Processing Pvt. Ltd., the holding company	<u>500,000</u>	<u>500,000</u>
<b>3 RESERVES &amp; SURPLUS</b>		
Surplus / (Deficit) in the statement of profit and loss:		
Balance as per last balance sheet	(1,852,217)	(1,263,852)
Add: Profit for the year	(566,658)	(588,365)
Less: Loss for the year	<u>(2,418,875)</u>	<u>(1,852,217)</u>
<b>4 LONG TERM BORROWINGS</b>		
Shapoorji Pallonji & Co. Ltd.	4,100,000	4,000,000
	<u>4,100,000</u>	<u>4,000,000</u>
<b>5 OTHER CURRENT LIABILITIES</b>		
Interest accrued but not due on borrowings	1,948,659	1,394,187
Audit Fees payable	8,000	6,000
TDS Liability	55	56,340
	<u>1,956,714</u>	<u>1,456,527</u>
<b>6 OTHER NON CURRENT ASSETS</b>		
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>
<b>7 CASH AND BANK BALANCES</b>		
Cash in hand	716	1,347
Balance in current accounts with Scheduled Banks	98,620	64,460
	<u>99,336</u>	<u>65,807</u>

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



(NARESH N. SHAH)  
PROPRIETOR  
Membership No.35261

Mumbai, Dated : 21 MAY 2013



For and on Behalf of the Board



(M. R. SHAH)



(A. P. KHAMBATA)  
DIRECTORS