

[CIN: U45201GJ2002PTC041178]

**SHAILY INFRASTRUCTURE PRIVATE LIMITED**  
(Subsidiary of Ganesh Housing Corporation Limited)

**14<sup>TH</sup> ANNUAL REPORT**  
**2015-2016**

**SHAILY INFRASTRUCTURE PRIVATE LIMITED**

**BOARD OF DIRECTORS** : MR. DIPAK G. PATEL - CHAIRMAN (DIN: 00004766)  
MR. SHEKHAR G. PATEL - DIRECTOR (DIN: 00005091)  
MR. SANJAY M. KOTHARI - DIRECTOR (DIN: 01429539)  
MR. TEJAS C. JOSHI - DIRECTOR (DIN: 02423400)

**AUDITORS** : J.M.PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
AHMEDABAD

**REGISTERED OFFICE** : GANESH CORPORATE HOUSE  
100 FT. HEBATPUR – THALTEJ ROAD,  
NEAR SOLA BRIDGE, OFF S.G. HIGHWAY,  
AHMEDABAD – 380 054

**BANKERS** : TAMILNAD MERCANTILE BANK LTD  
AHMEDABAD  
STATE BANK OF INDIA

**SHAILY INFRASTRUCTURE PRIVATE LIMITED**  
**[CIN: U45201GJ2002PTC041178]**

**DIRECTORS' REPORT**

TO  
THE MEMBERS OF  
SHAILY INFRASTRUCTURE PRIVATE LIMITED

Your Directors have pleasure in presenting herewith the Fourteenth Annual Report with Audited Accounts for the year ended 31st March, 2016.

**STATE OF THE COMPANY'S AFFAIRS**

**FINANCIAL HIGHLIGHTS:**

**(Amount in Rs. in lakhs)**

<b>PARTICULARS</b>	<b>Year Ended 31/03/2016 Amt. Rs.</b>	<b>Year Ended 31/03/2015 Amt. Rs.</b>
Total Income	0	125.04
Total Expenditure	(4.59)	111.68
Profit/(Loss) before tax	4.59	13.37
Less: Provision for Current Tax	(1.75)	(6.00)
Add: Provision for Deferred Tax	(0.24)	Nil
Profit/(Loss) after tax	0.74	7.37

**NATURE OF BUSINESS:**

During the year under review, there was no change in the nature of the business of the Company. The Company is executing a scheme for construction of bungalows at Nathdhwara, Rajasthan under the name and style of "Madhuban Hills" for which requisite steps have been taken.

**EXTRACT OF ANNUAL RETURN**

Extract of Annual Return of the Company is annexed herewith as **Annexure A** to this Report.

**NUMBER OF BOARD MEETINGS**

During the year under review, five (5) Board Meetings were held.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provision contained in Section 134(5) of the Companies Act, 2013, the Directors of your Company state that:

- a) in the preparation of the annual accounts for the financial year 31<sup>st</sup> March, 2016 the applicable accounting standards had been followed. There are no material departures in the adoption of the applicable Accounting Standards.
- b) the Directors have selected such appropriate accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of

the state of affairs of the company at the end of the financial year and of the profit of the company for that period;

- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a “going concern” basis;
- e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **HOLDING COMPANY**

Ganesh Housing Corporation Limited is the holding company and holds 51.00% of the total paid up Equity share capital of the Company.

## **PARTICULAR OF LOAN & INVESTMENT BY COMPANY**

The Company has not made any Investments in the Securities of any body corporate and has also not provided any guarantee or security in connection with the loan to any body corporate or person. Further, particulars of loans given for business purpose are stated in financial statement. Please refer to note no. 12 of the Notes forming part of accounts for the same.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

There were no Contracts or arrangements entered into by the company in accordance with the provisions of section 188 (1) of the Companies Act, 2013 with related parties.

Members may refer to the note No. 31 to the accounts for details of related party transactions as per Accounting Standards (AS) - 18.

## **DIVIDEND AND TRANSFER TO RESERVES**

To strengthen the company's long-term resources, your directors do not recommend any dividend for the financial year 2015-16. Further as the Company has not recommended any dividend for the year under review, no amount has been transferred to the General Reserves.

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

The provisions of Section 134 (3) (m) of the Companies Act-2013 read with Rule 8(2) of Companies (Accounts) Rules 2014 do not apply to our Company as the Company has not carried out any activities relating to conservation of energy and technology absorption. The Particulars regarding foreign exchange earnings and outgo as required to be disclosed in this regard is NIL.

## **RISK MANAGEMENT POLICY**

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

## **INTERNAL FINANCIAL CONTROL**

The company has put in place the requisite internal financial control system.

## **DETAILS OF DIRECTOR:**

During the year under review there was no change in the directorship of the company. Further, the company is not required to appoint any Key Managerial Personnel as per Companies Act, 2013.

## **AUDITORS**

As per the provisions of section 139 of the Companies Act, 2013, the appointment of M/S J. M. Parikh & Associates (FRN: 118007W), Chartered Accountants, Ahmedabad auditors of the Company is proposed to be ratified by the members in the ensuing Annual General Meeting and remuneration may be fixed by the members. They hold the office from the conclusion of this annual general meeting until the conclusion of 17<sup>th</sup> Annual General Meeting subject to ratification of Appointment at every Annual General Meeting.

Further the auditors have confirmed their willingness and eligibility for appointment and have also confirmed that their appointment, if made, will be within the limits under section 141 (3) (g) of the Companies Act, 2013.

## **DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDERESSAL) ACT, 2013**

As the Company is not having more than 10 employees, the disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made there under or any other guidelines made there under is not Applicable.

## **GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items or the same were not applicable to the Company during the year under review:

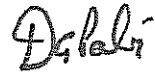
1. The provisions of section 149 pertaining to Independent Directors do not apply to our Company.
2. The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.
3. The provisions relating to submission of Secretarial Audit Report are not applicable to the Company.
4. No material changes and commitments affecting Financial Position of the Company have taken place after completion of the financial period up to the date of this report which may have substantial effect on business and finances of the company and which are required to be disclosed in this Report.
5. The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.
6. The Company does not have any Subsidiary, Joint venture or Associate Company.

7. The Company has neither accepted nor renewed any deposits during the year under review.
8. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
9. The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company.
10. During the year under review, there was no employee in receipt of salary for whom information as per Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is required to be given in the Directors' Report.

#### **APPRECIATION**

Your Directors wish to place on record their appreciation for the co-operation and continued support extended to the Company by all Government Authorities, Bankers and Shareholders.

**On behalf of the Board of Directors**



**Dipak G. Patel**  
Chairman  
[DIN: 00004766]

**Place: Ahmedabad**

**Date: 23/05/2016**

## ANNEXURE - A

### FORM NO. MGT 9

#### EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

#### I REGISTRATION & OTHER DETAILS:

i	CIN	U45201GJ2002PTC041178
ii	Registration Date	27/08/2002
iii	Name of the Company	SHAILY INFRASTRUCTURE PRIVATE LIMITED
iv	Category/Sub-category of the Company	Company Limited by shares/Indian Non-government Company
v	Address of the Registered office & contact details	Ganesh Corporate House, 100 Feet Hebatpur - Thaltej Road, Near Sola Bridge, off S.G. Highway, Ahmedabad-380054, Gujarat
vi	Whether listed company	NO
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	N.A

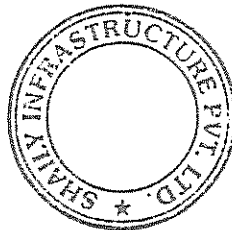
#### II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

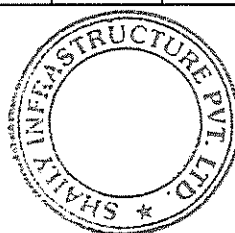
SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Construction of Buildings	4100	100

#### III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Ganesh Housing Corporation Limited	L45200GJ1991PLC015817	Holding Company	51%	2(46) of the Companies Act, 2013

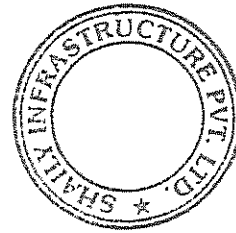


IV Category of Shareholders	SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)								
	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	0	4900	4900	49	0	4900	4900	49	0
b) Central Govt.or State Govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	0	5100	5100	51	0	5100	5100	51	0
d) Bank/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL:(A) (1)</b>	<b>0</b>	<b>10000</b>	<b>10000</b>	<b>100</b>	<b>0</b>	<b>10000</b>	<b>10000</b>	<b>100</b>	<b>0</b>
(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>0</b>	<b>10000</b>	<b>10000</b>	<b>100</b>	<b>0</b>	<b>10000</b>	<b>10000</b>	<b>100</b>	<b>0</b>
<b>B. PUBLIC SHAREHOLDING</b>									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Cenntal govt	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>





<b>(2) Non Institutions</b>									
a) Bodies corporates	0	0	0	0	0	0	0	0	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	0	0	0	0	0	0	0	0
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(2):</b>	0	0	0	0	0	0	0	0	0
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	0	0	0	0	0	0	0	0	0
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	0	10000	10000	100	0	10000	10000	100	0



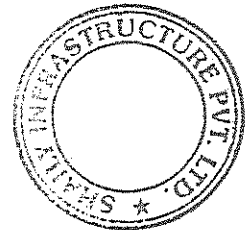
## (ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Tejas C. Joshi	2450	24.50	0	2450	24.50	0	0
2	Sanjay M. Kothari	2450	24.50	0	2450	24.50	0	0
3	Ganesh Housing Corporation Limited	5100	51.00	0	5100	51.00	0	0
	<b>Total</b>	<b>10000</b>	<b>100</b>	<b>0</b>	<b>10000</b>	<b>100</b>	<b>0</b>	<b>0</b>

## (iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	Tejas C. Joshi				
	At the beginning of the year	2450	24.50	2450	24.50
	Date wise Increase/decrease In Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	There was no change In shareholding during the year under review.			
	At the end of the year	2450	24.50	2450	24.50
2	Sanjay M. Kothari				
	At the beginning of the year	2450	24.50	2450	24.50
	Date wise Increase/decrease In Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	There was no change in shareholding during the year under review.			
	At the end of the year	2450	24.50	2450	24.50
3	Ganesh Housing Corporation Limited				
	At the beginning of the year	5100	51.00	5100	51.00
	Date wise Increase/decrease In Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	There was no change in shareholding during the year under review.			
	At the end of the year	5100	51.00	5100	51.00
(iv)	Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)				

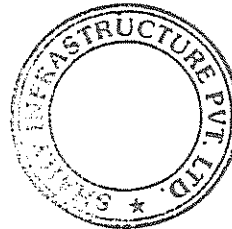
Sl. No	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase/decrease In Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	<b>Not Applicable</b>			
	At the end of the year (or on the date of separation, if separated during the year)				



(v)

## Shareholding of Directors &amp; KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Tejas C. Joshi				
	At the beginning of the year	2450	24.50	2450	24.50
	Date wise Increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	There was no change in shareholding during the year under review.			
	At the end of the year	2450	24.50	2450	24.50
2	Sanjay M. Kothari				
	At the beginning of the year	2450	24.50	2450	24.50
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	There was no change in shareholding during the year under review.			
	At the end of the year	2450	24.50	2450	24.50
3	Dipak G. Patel				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for Increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	There was no change in shareholding during the year under review.			
	At the end of the year	0	0.00	0	0.00
4	Shekhar G. Patel				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for Increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	There was no change in shareholding during the year under review.			
	At the end of the year	0	0.00	0	0.00



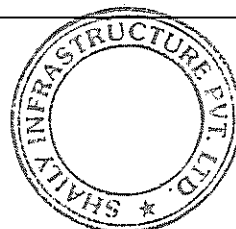
V	<b>INDEBTEDNESS</b>
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Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	-	274,348,240	-	274,348,240
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	274,348,240	-	274,348,240
<b>Change in Indebtedness during the financial year</b>				
Additions	-	12,042,505	-	12,042,505
Reduction	-	(262,037)	-	(262,037)
<b>Net Change</b>	-	11,780,468	-	11,780,468
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	286,128,708	-	286,128,708
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	286,128,708	-	286,128,708

VI	<b>REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>
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**A. Remuneration to Managing Director, Whole time director and/or Manager:**

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
1	<b>Gross salary</b>		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	<b>Not Applicable</b>	
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		
2	Stock option		
3	Sweat Equity		
4	Commission		
	as % of profit		
	others (specify)		
5	Others, please specify		
	<b>Total (A)</b>		
	<b>Ceiling as per the Act</b>		

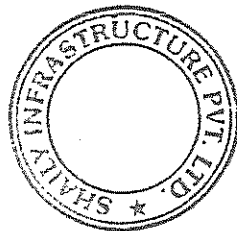


<b>B.</b>	<b>Remuneration to other directors:</b>
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Sl.No	Particulars of Remuneration	Name of the Directors	Total Amount	
1	Independent Directors			
	(a) Fee for attending board committee meetings	NIL		
	(b) Commission			
	(c) Others, please specify			
	<b>Total (1)</b>			
2	Other Non Executive Directors			
	(a) Fee for attending board committee meetings			
	(b) Commission			
	(c) Others, please specify.			
	<b>Total (2)</b>			
	<b>Total (B)=(1+2)</b>			
	<b>Total Managerial Remuneration</b>			
	<b>Overall Ceiling as per the Act.</b>			

<b>C.</b>	<b>REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD</b>
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Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total
1	<b>Gross Salary</b>	CEO	Company Secretary	CFO	Total	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	Not Applicable				
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961					
2	Stock Option					
3	Sweat Equity					
4	Commission					
	as % of profit					
	others, specify					
5	Others, please specify					
	<b>Total</b>					



Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty			<b>NIL</b>		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			<b>NIL</b>		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			<b>NIL</b>		
Punishment					
Compounding					

Place : Ahmedabad

Date : 23/05/2016

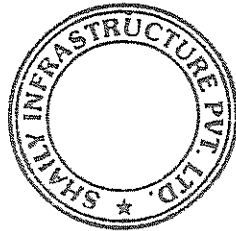
On behalf of Board of Directors



Dipak G. Patel

Chairman

DIN : 00004766





# J.M. PARIKH & ASSOCIATES

## CHARTERED ACCOUNTANTS

B – 705, 8TH FLOOR, NIRMAN COMPLEX, OPP : HAVMOR RESTAURANT,  
NAVRANGPURA, AHMEDABAD-380 009. PHONE: 26563949, 26569093  
E-mail: jmparikh@yahoo.com

### INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF:  
SHAILY INFRASTRUCTURE PRIVATE LIMITED,**

#### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of SHAILY INFRASTRUCTURE PRIVATE LIMITED ("the company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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 judgments, including the assessment of 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 company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An Audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, 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 on the financial statements.



## 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 of the state of affairs of the Company as at 31<sup>st</sup> March, 2016, and its profit and its cash flows for the year ended on that date.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, We give in the Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and beliefs were necessary for the purposes of our audit;
  - b. In our opinion proper books of accounts as required by Law have been kept by the Company so far as it appears from our examinations of those books;
  - c. The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the directors as on 31st March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure – B.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. There are no litigations by or against the company as at 31st March, 2016 and hence, shall have no effect on its financial position in its financial statements.
    - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to Investor Education and Protection Fund by the company.



PLACE:- AHMEDABAD  
DATE :- 23/05/2016

FOR, J.M.PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN:- 118007W

*Kaushal Shah*

KAUSHAL SHAH  
PARTNER  
MEMBERSHIP NO.:- 127379

**J. M. PARIKH & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
7th Floor, B/705, Nirman Complex,  
Opp. Havmor Restaurant,  
Navrangpura, AHMEDABAD-9.



**ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
SHAILY INFRASTRUCTURE PRIVATE LIMITED,**

Referred to in paragraph (1) under the heading of "Report on Other Legal and Regulatory requirements" of our Report of even date

- (i) The Company does not have any fixed assets. Accordingly clauses 3(i)(a), 3(i)(b) & 3(i)(c) of the Order are not applicable to the Company.
- (ii) The company is accounting the construction project being built by it, as inventory. There is a continuous monitoring of construction project. Hence, the question of physical verification of the projects does not arise. In case of Inventory of Raw materials, the Company follows the policy that Raw materials received on the site is taken as consumed, Hence, the question of physical verification of inventory of raw-materials do not arise. Hence, normal inventory records associated with manufacturing companies are not being kept. However, the company is maintaining the necessary records to our satisfaction. No discrepancies were noticed on verification between the physical stocks and book records.
- (iii) The company has not granted any loan to company, Limited Liability Partnership, firms, and other party covered in the Register maintained under section 189 of the Companies Act, 2013. Accordingly clauses 3(iii)(a), 3(iii)(b) & 3(iii)(c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the company has not given any loan or not made any investments or given any guarantees or provided any securities. Hence, compliance u/s 185 and 186 of the Companies Act, 2013 does not arise.
- (v) The company has not accepted any deposit from public as per the provisions of sections 73 to 76 of the Companies Act, 2013. Accordingly, Clause 3(v) of the Order is not applicable to the Company.
- (vi) The company is not covered under the limit specified for the maintenance of cost records by the Central Government of India under sub-section (1) of section 148 of the Companies Act, 2013 read with the Companies (Cost records & Audit) Rules, 2014. Accordingly, Clause 3(vi) of the Order is not applicable to the Company.
- (vii)
  - (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other statutory dues with the appropriate authorities have been generally regularly deposited.  
  
According to the information and explanations given to us no other undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date of becoming payable except Professional Tax of Rs. 1566/-.
  - (b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Valued Added Tax and Cess, which have not been deposited on account of any dispute.
- (viii) The company has not borrowed any money from a Financial Institution, Government or a bank. The company has not issued Debentures. Accordingly, clause 3(viii) of the Order is not applicable.



- (ix) According to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the company by its officers or employees has been noticed or reported during the year in course of our audit.
- (xi) According to the information and explanations given to us, The Company has not paid any managerial remuneration. Accordingly, the provisions of clause 3(xi) of the Order are not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us, there are no transactions with the related parties under section 177 and 188 of the Companies Act, 2013. Therefore, the provisions of clause 3(xiii) of the Order are not applicable to the Company.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Hence the question of complying with provisions of section 192 of Companies Act, 2013 does not arise. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.



PLACE:- AHMEDABAD  
DATE :- 23/05/2016

FOR J.M.PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN:- 118007W

  
KAUSHAL SHAH  
PARTNER

MEM. NO. 127379.

**J. M. PARIKH & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
7th Floor, B/705, Nirman Complex,  
Opp. Havmor Restaurant,  
Navrangpura, AHMEDABAD-9.

**ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
SHAILY INFRASTRUCTURE PRIVATE LIMITED,**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of SHAILY INFRASTRUCTURE PRIVATE LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



## Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



PLACE:- AHMEDABAD  
DATE :- 23/05/2016

FOR J.M.PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN:- 118007W

A handwritten signature in black ink, appearing to read "Kaushal Shah".

KAUSHAL SHAH  
PARTNER

MEM. NO. 127379.

**J. M. PARIKH & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
7th Floor, B/705, Nirman Complex,  
Opp. Havmor Restaurant,  
Navrangpura, AHMEDABAD-9.

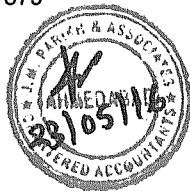
**SHAILY INFRASTRUCTURE PRIVATE LIMITED**  
**BALANCESHEET AS AT 31/03/2016.**

[AMT. RS.]

PARTICULARS	NOTE	AS AT THE END	
		OF CURRENT REPORTING PERIOD 31-03-2016	OF PREVIOUS REPORTING PERIOD 31-03-2015
<b>I EQUITY &amp; LIABILITIES</b>			
<b>1 SHAREHOLDERS' FUNDS:-</b>			
Share Capital	2	100000	100000
Reserve & Surplus	3	(3173725)	(3248159)
		(3073725)	(3148159)
<b>2 CURRENT LIABILITIES:-</b>			
Short Term Borrowings	4	286128708	274348240
Trade Payables	5	6923122	9211985
Other Current Liabilities	6	20230741	20107721
Short Term Provisions	7	115890	414290
		313398461	304082236
<b>TOTAL</b>		<b>310324736</b>	<b>300934077</b>
<b>II ASSETS</b>			
<b>1 NON CURRENT ASSETS:-</b>			
Deferred Tax Assets (Net)	8	0	24351
		0	24351
<b>2 CURRENT ASSETS:</b>			
Inventories	9	284221729	273653356
Trade Receivable	10	22718677	22718677
Cash & Cash Equivalents	11	66414	163202
Short Term Loans & Advances	12	209436	209436
Other Current Assets	13	3108480	4165055
		310324736	300909726
<b>TOTAL</b>		<b>310324736</b>	<b>300934077</b>
<b>III Significant Accounting Policies &amp; Notes Forming Part of Accounts</b>			
	1 TO 32		

AS PER OUR REPORT OF EVEN DATE  
 FOR J M PARIKH & ASSOCIATES  
 CHARTERED ACCOUNTANTS  
 FRN:- 118007W

*Kaushal Shah*  
 KAUSHAL SHAH  
 PARTNER  
 MEM. NO. 127379



ON BEHALF OF THE BOARD  
 OF DIRECTORS

*Dipali*  
 DIPAK G. PATEL  
 CHAIRMAN  
 [DIN: 00004766]

*Shekhar G. Patel*  
 SHEKHAR G. PATEL  
 DIRECTOR  
 [DIN: 00005091]

PLACE : AHMEDABAD  
 DATE : 23/05/2016

PLACE : AHMEDABAD  
 DATE : 23/05/2016

**J. M. PARIKH & ASSOCIATES**  
 CHARTERED ACCOUNTANTS  
 7th Floor, B/705, Nirman Complex,  
 Opp. Havmor Restaurant,  
 Navrangpura, AHMEDABAD-9.

## SHAILY INFRASTRUCTURE PRIVATE LIMITED

## STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED ON 31ST MARCH 2016.

[AMT. RS.]

PARTICULARS	NOTE	FOR THE CURRENT	FOR THE PREVIOUS
		REPORTING PERIOD 2015-2016	REPORTING PERIOD 2014-2015
<b>I INCOME:-</b>			
Revenue from Operations	14	0	12504262
Other Income	15	15	63
<b>TOTAL</b>		<b>15</b>	<b>12504325</b>
<b>II EXPENSES :-</b>			
Project Expenses	16	8446116	103549540
Changes in Inventories	17	(10568373)	(97542032)
Employee Benefit Expenses	18	206083	182229
Finance Cost	19	55327	347930
Other Expenses	20	1401367	4630130
<b>TOTAL</b>		<b>(459480)</b>	<b>11167797</b>
III Profit / (Loss) Before Tax		459495	1336528
<b>IV Tax Expenses:</b>			
Current Tax	(175000)		(600000)
Deferred Tax	(24351)		0
Short Provision of Income Tax of Earlier Yr.	(185710)		
		(385061)	(600000)
V Profit / (Loss) After Tax		74434	736528
<b>VI Basic &amp; Diluted Earning Per share [In Rs.]</b>			
-Before extra ordinary items	26	7.44	73.65
-After extra ordinary items		7.44	73.65
<b>VII Significant Accounting Policies &amp; Notes Forming Part of Accounts</b>			
	1 TO 32		

AS PER OUR REPORT OF EVEN DATE  
FOR J M PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN:- 118007W

ON BEHALF OF THE BOARD  
OF DIRECTORS

*Kaushal Shah*

KAUSHAL SHAH  
PARTNER  
MEM. NO. 127379

*D. G. Patel*

DIPAK G. PATEL  
CHAIRMAN  
[DIN: 00004766]



*S. G. Patel*

SHEKHAR G. PATEL  
DIRECTOR  
[DIN: 00005091]

PLACE : AHMEDABAD  
DATE : 23/05/2016

PLACE : AHMEDABAD  
DATE : 23/05/2016

**J. M. PARIKH & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
7th Floor, B/705, Nirman Complex,  
Opp. Havmor Restaurant,  
Navrangpura, AHMEDABAD-9.

SHAILY INFRASTRUCTURE PRIVATE LIMITED  
CASH FLOW STATEMENT FOR THE YEAR 2015-2016

[AMT. RS.]

PARTICULARS		NOTE	2015-2016	2014-2015
A	CASH FLOW FROM OPERATING ACTIVITIES:			
	NET PROFIT BEFORE TAX AND PERVIOUS YEAR 'S FIGURES		459495	1336528
	LESS: INTERIM DIVIDEND & DIVIDEND TAX		0	0
	TOTAL		459495	1336528
	ADD:- PROVISION FOR PRIOR YEAR NOW WRITTEN BACK		(185710)	0
	ADD:- PROVISION FOR INCOME TAX		(175000)	(600000)
	ADD: DEFERRED TAX		(24351)	0
			(385061)	(600000)
			74434	736528
	NET PROFIT AFTER TAX			
	ADD/LESS ADJUSTMENTS FOR			
	DEPRECIATION		0	0
	PROFIT ON FIXED ASSETS		0	0
	PROVISION FOR FBT		0	0
	INTEREST EXPENSES		0	0
	PRELIMINARY EXP.W/OFF		0	0
			0	0
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		74434	736528
	ADD/LESS ADJUSTMENTS FOR			
	INVENTORIES		(10568373)	(97542032)
	TRADE RECEIVABLES		0	(8014663)
	OTHER CURRENT ASSETS		1056575	(356182)
	TRADE PAYABLES		(2288863)	(62598)
	OTHER CURRENT LIABILITIES		123020	(3649315)
	OTHER SHORT TERM PROVISION		(298400)	(1285710)
	INCREASE IN DEFERRED TAX		24351	0
	CASH GENERATED FROM OPERATIONS		(11951690)	(110910500)
B	CASH FLOW FROM INVESTING ACTIVITIES :			
	PURCHASE OF FIXED ASSETS		0	0
	CAPITAL WORK IN PROGRESS		0	0
	SALE OF FIXED ASSETS		0	0
	INVESTMENTS MADE		0	0
	MOVEMENT IN LOANS & ADVANCES		0	100539564
	INTEREST RECEIVED		0	0
	NET CASH USED IN INVESTING ACTIVITIES		0	100539564
C	CASH FLOW FROM FINANCING ACTIVITIES :			
	PROCEEDS FROM SHORT TERM BORROWINGS		11780468	9380203
	INCREASE OF SHARE CAPITAL		0	0
	INCREASE OF SHARE APPLICATION MONEY		0	0
	INCREASE OF SECURITY PREMIUM		0	0
	NET CASH USED IN FINANCING ACTIVITIES		11780468	9380203
	NET INCREASE IN CASH AND CASH EQUIVALENTS		(96788)	(254205)
	OPENING BALANCE OF CASH AND CASH EQUIVALENTS		163202	417407
	CLOSING BALANCE OF CASH AND CASH EQUIVALENTS		66414	163202
<b>Components of Cash and Cash Equivalents</b>				
	Cash on hand		14219	8463
	Balances with a Banks		52195	154739
	<b>Total</b>		<b>66414</b>	<b>163202</b>
	Significant Accounting Policies	1		

AS PER OUR REPORT OF EVEN DATE  
FOR J M PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN:- 118007W

KAUSHAL SHAH  
PARTNER  
MEM. NO. 127379



**J. M. PARIKH & ASSOCIATES**  
CHARTERED ACCOUNTANTS

PLACE : AHMEDABAD  
DATE : 23/05/2016

7th Floor, B/705, Nirman Complex,  
Opp. Navnagar Restaurant,  
Navrangpura, AHMEDABAD-9.

ON BEHALF OF THE BOARD  
OF DIRECTORS

*D. G. Patel*  
DIPAK G. PATEL  
CHAIRMAN  
[DIN: 00004766]

*S. G. Patel*  
SHEKHAR G. PATEL  
DIRECTOR  
[DIN: 00005091]

PLACE : AHMEDABAD  
DATE : 23/05/2016

**SHAILY INFRASTRUCTURE PRIVATE LIMITED**  
**NOTES FORMING PART OF ACCOUNTS**

**1. SIGNIFICANT ACCOUNTING POLICIES:-**

**1.1 NATURE OF OPERATIONS:**

The Company was incorporated in 2002. The company is a private limited company incorporated and domiciled in India. And has its registered office at Ahmedabad, Gujarat, India. The company's main business is real estate promotion and development in residential and commercial segment.

**1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**

These financial statements have been prepared in accordance with the generally accepted accounting principles (GAAP) in India under the historical cost convention on going concern and accrual basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**1.3 BASIS FOR CLASSIFICATION OF ASSETS & LIABILITIES:**

All the assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets or processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current – non current classification of assets and liabilities.

**1.4 USE OF ESTIMATES:**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known or materialized.

1.5. The Company adopts the accrual concept in the preparation of the accounts.

**1.6. RECOGNITION OF INCOME & EXPENDITURE**

All Income & Expenditure are accounted for on accrual basis.

**1.7. FIXED ASSETS & DEPRECIATION:**

A. Fixed assets shall be stated at cost of acquisition or construction less depreciation. Cost comprises the purchase price and other attributable costs including financing costs relating to borrowed funds attributable to construction or acquisition of fixed assets upto the date the assets is ready for use and adjustments consequent to subsequent variations in rates of exchange.

**B. Depreciation on fixed assets:**

Depreciation shall be provided based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 on the "Written down value" method in respect of all assets.





**SHAILY INFRASTRUCTURE PRIVATE LIMITED**  
**NOTES FORMING PART OF ACCOUNTS**

- 1.8. **BORROWING COST:**  
Borrowing costs attributable to the acquisition, construction or production of qualifying assets (i.e. assets that necessarily take substantial period of time to get ready for its intended use or sale) shall be capitalized as part of the cost of such asset upto the date when such asset is ready for its intended use or sale. Other borrowing costs are recognized as an expense in the period in which they are incurred.
- 1.9. **TAXES ON INCOME:**  
Provision for Current Tax shall be computed as per Total Income Returnable under the Income Tax Act, 1961 taking into account available deductions and exemptions.
- 1.10. **DEFERRED TAX:**  
Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- 1.11. **INCOME FROM REAL ESTATE DEVELOPMENT PROJECTS:**
- (a) The Company records revenue on all its Real Estate Development Projects based on Accounting Standard – 9. i.e. Revenue Recognition and also based on guidance note issued by the Institute of Chartered Accountants of India “Revenue Recognition for Real Estate Developers”.
  - (b) The full revenue is recognized on sale of property when the Company has transferred to the buyer all significant risks & rewards of ownership and when the seller has not to perform any substantial acts to complete the contract.
  - (c) However, when the Company is obliged to perform any substantial acts after transfer of all significant risks & rewards of ownership on sale of property, the revenue is recognized on proportionate basis as the acts are performed i.e. by applying the percentage completion method.
- 1.12. **INVENTORY:**
- A. In case of the stock of Raw-material are valued at cost using FIFO method.
  - B. The Closing stock of WIP has been valued at cost.
- 1.13. **RETIREMENT & OTHER EMPLOYEE BENEFITS::**
- A. The company has a system of providing accumulating compensating absences non-vesting and hence no provision is made in the books of accounts for the leaves.
  - B. The company is not liable to pay gratuity as it employs less than 10 persons.
  - C. As the company does not employ 10 or more employees P.F. is not applicable.
- 1.14. **TRANSACTIONS IN FOREIGN CURRENCY:**
- A. Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction.
  - B. Monetary items denominated in foreign currencies at the period end are restated at year end rates.
  - C. Non monetary foreign currency items are carried at cost.
  - D. Any income or expense on account of exchange difference either on settlement or on transaction is recognised in the profit and loss account.



**SHAILY INFRASTRUCTURE PRIVATE LIMITED**  
**NOTES FORMING PART OF ACCOUNTS**

**1.15. INVESTMENTS:**

Current investments shall be carried at lower of cost and quoted/fair value, computed category wise. Long term investments shall be stated at cost. Provision for diminution in the value of investments shall be made only if such a decline is other than temporary.

**1.16. EARNINGS PER SHARE:**

Earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential dilutive equity shares.

**1.17. CASH FLOW STATEMENT:**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payment and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

**1.18. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.



**SHAILY INFRASTRUCTURE PRIVATE LIMITED**  
**NOTES FORMING PART OF ACCOUNTS**

[AMT. RS.]

**PARTICULARS**

AS AT 31/03/2016

AS AT 31/03/2015

**NOTE - 2**

**SHARE CAPITAL :**

**AUTHORISED:-**

10000 (Previous Year 10000) Equity Shares of  
Rs 10/- each

100000	100000
<b>100000</b>	<b>100000</b>

**ISSUED, SUBSCRIBED AND PAID UP CAPITAL:-**

10000 (Previous Year 10000) Equity Shares of  
Rs 10/- each

100000	100000
--------	--------

**TOTAL**

<b>100000</b>	<b>100000</b>
---------------	---------------

**NOTE :**

1. The reconciliation of number of shares at the beginning of the year and at the close of the year is not given as there is no change in the paid up capital.

2. The Statement of Shareholders Holding More Than 5% Equity Shares of The Company:-

PARTICULARS	AS AT 31/03/2016		AS AT 31/03/2015	
	NO. OF SHARES	% OF HOLDING	NO. OF SHARES	% OF HOLDING
Tejas C. Joshi	2450	24.50%	2450	24.50%
Sanjay M. Kothari	2450	24.50%	2450	24.50%
Ganesh Housing Corporation Limited. - Holding Company	5100	51%	5100	51.00%

3. The 51% shareholding of the company is held by Ganesh Housing Corporation Limited which is its holding company.

4. Right, Preferences and Restrictions attached to shares:

The company has one class of equity shares having a par value of Rs. 10/- each. Each shareholder is eligible for one vote per share held. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**NOTE - 3**

**RESERVES & SURPLUS:**

Profit and Loss A/c

Opening Balance

(3248159)	(3984687)
-----------	-----------

Add : Profit during the year

74434	736528
-------	--------

Closing Balance

<b>(3173725)</b>	<b>(3248159)</b>
------------------	------------------

**TOTAL**

<b>(3173725)</b>	<b>(3248159)</b>
------------------	------------------

**NOTE - 4**

**SHORT TERM BORROWINGS**

**From Related Parties:-**

Inter Corporate Deposit

51002203	42414240
----------	----------

From Directors

91400000	91400000
----------	----------

[Refer Note No. 30]

142402203	133814240
-----------	-----------

**From others:-**

Inter Corporate Deposit

143726505	140534000
-----------	-----------

143726505	140534000
-----------	-----------

**TOTAL**

<b>286128708</b>	<b>274348240</b>
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NOTE:- All unsecured loans are interest free and repayable on demand. As they are repayable on demand, they are shown as short term borrowing.



SHAILY INFRASTRUCTURE PRIVATE LIMITED  
NOTES FORMING PART OF ACCOUNTS

[AMT. RS.]

PARTICULARS	AS AT 31/03/2016	AS AT 31/03/2015
<b>NOTE - 5</b>		
<b>TRADE PAYABLES</b>		
Micro, Small & Medium Enterprise	0	0
Others	6923122	9211985
<b>TOTAL</b>	<b>6923122</b>	<b>9211985</b>
<b>NOTE - 6</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Statutory Liabilities	127136	4116
Advance From Customers	20103605	20103605
<b>TOTAL</b>	<b>20230741</b>	<b>20107721</b>
<b>NOTE - 7</b>		
<b>SHORT TERM PROVISION</b>		
Provision For Income Tax	775000	2300000
Less: Income Tax & TDS	(659110)	(1885710)
	115890	414290
<b>TOTAL</b>	<b>115890</b>	<b>414290</b>
<b>NOTE - 8</b>		
<b>DEFERRED TAX ASSETS (NET)</b>		
<u>Deferred Tax Assets:-</u>		
Timing Difference :-		
Unabsorbed loss	0	24351
Total - A	0	24351
<u>Deferred Tax Liabilities:-</u>		
Timing Difference	0	0
Total - B	0	0
Total A - B = Net Deferred Tax Assets	0	24351
<b>NOTE - 9</b>		
<b>INVENTORIES</b>		
INVENTORIES (As taken, valued & certified by Management)		
Stock of WIP	284221729	273653356
<b>TOTAL</b>	<b>284221729</b>	<b>273653356</b>
<b>NOTE - 10</b>		
<b>TRADE RECEIVABLES</b>		
<b>[UNSECURED, CONSIDERED GOOD]</b>		
-More than Six Months	22718677	22718677
-Others	0	0
<b>TOTAL</b>	<b>22718677</b>	<b>22718677</b>
<b>NOTE - 11</b>		
<b>CASH &amp; CASH EQUIVALENTS</b>		
Cash on hand	14219	8463
Balances with Banks	52195	154739
<b>TOTAL</b>	<b>66414</b>	<b>163202</b>



SHAILY INFRASTRUCTURE PRIVATE LIMITED  
NOTES FORMING PART OF ACCOUNTS

[AMT. RS.]

AS AT 31/03/2016 AS AT 31/03/2015

**PARTICULARS**

**NOTE - 12**

**SHORT TERM LOANS & ADVANCES  
[UNSECURED, CONSIDERED GOOD]**

Reimbursement of Related Parties:-		
Shekhar G. Patel	179557	179557
Maheshwari (Thaltej) Complex Private limited	21538	21538
Ganeshsagar Infrastructure Private Limited	8341	8341
	209436	209436
<b>TOTAL</b>	<b>209436</b>	<b>209436</b>

**NOTE - 13**

**OTHER CURRENT ASSETS**

Cenvat credit of Service Tax	3098731	4155306
Advance to Suppliers	9749	9749
<b>TOTAL</b>	<b>3108480</b>	<b>4165055</b>

**PARTICULARS**

YEAR ENDED 31/03/2016 YEAR ENDED 31/03/2015

**NOTE:- 14**

**REVENUE FROM OPERATIONS**

Sales	0	12504262
<b>TOTAL</b>	<b>0</b>	<b>12504262</b>

**NOTE:- 15**

**OTHER INCOME**

Sundry Bal. W/off	15	63
<b>TOTAL</b>	<b>15</b>	<b>63</b>

**NOTE - 16**

**PROJECT EXPENSES**

Electric Exp.	157858	190021
Land Purchase	7500000	100630000
Raw-material purchase	0	35734
Labour Exp. with material contract	0	1568470
Professional Fees	485202	169099
Brochure Expenses	0	469950
Site Exp.	303056	486266
<b>TOTAL</b>	<b>8446116</b>	<b>103549540</b>

**NOTE:- 17**

**CHANGES IN INVENTORIES**

**CLOSING STOCK:-**

WIP	284221729	273653356
<b>TOTAL</b>	<b>284221729</b>	<b>273653356</b>

**LESS: OPENING STOCK:-**

WIP	273653356	176111324
<b>TOTAL</b>	<b>273653356</b>	<b>176111324</b>
(Increase) / Decrease in stock	(10568373)	(97542032)
<b>TOTAL</b>	<b>(10568373)</b>	<b>(97542032)</b>



SHAILY INFRASTRUCTURE PRIVATE LIMITED  
NOTES FORMING PART OF ACCOUNTS

[AMT. RS.]

YEAR ENDED 31/03/2016 YEAR ENDED 31/03/2015

**PARTICULARS**

**NOTE - 18**

**EMPLOYEE BENEFIT EXPENSES**

Salary Expense	206083	182229
<b>TOTAL</b>	<b>206083</b>	<b>182229</b>

**NOTE - 19**

**FINANCE COST**

Interest to:-

-Late payment of taxes	53849	344292
Bank Charges	1478	3638
<b>TOTAL</b>	<b>55327</b>	<b>347930</b>

**NOTE - 20**

**OTHER EXPENSES**

ADMINISTRATIVE & OTHER EXPENSES:-

Audit Fee	21500	21500
Donation	0	51000
Labour Welfare Exp.	0	150000
Miscellaneous Expenses	40	0
Office Expenses	0	200
Penalty	7000	92100
Postage & Courier Exp.	0	61581
Previous Year Exp.	17980	955
Printing & Stationery Exp.	0	85774
Professional Fees	21500	406864
Professional Tax	2400	2400
Roc Filing Fees	1500	2400
Swachchh Bharat Cess on Service Tax Exp.	2599	0
Sundry Balances W/off.	1317698	121459
Travelling & Conveyance Expenses	9150	8970
	1401367	1005203

MARKETING EXPENSES:-

Advertisement Exp.	0	2257827
Sales promotion Exp.	0	1367100
	0	3624927

<b>TOTAL</b>	<b>1401367</b>	<b>4630130</b>
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**SHAILY INFRASTRUCTURE PRIVATE LIMITED**  
**NOTES FORMING PART OF ACCOUNTS:**

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21. Corresponding figures of the previous year have been regrouped to confirm with this year's classification wherever necessary.
22. Balances of Short Term Borrowings, Trade Payables, Other Current Liabilities, Trade Receivables, Loans and Advances and Other Current Assets are subject to confirmation.
23. In the opinion of the Board of Directors, the Current Assets and Loans & Advances are approximately of the value stated, if realised in the ordinary course of business.
24. Details of Auditors' Remuneration are as follows: [AMT. RS.]

PARTICULARS	2015-2016	2014-2015
Audit fees	24618	24157
For Certification & Other Work	22935	25843
<b>Total</b>	<b>47553</b>	<b>50000</b>

25. Based on the information available with the company, there are no suppliers who are registered under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31<sup>st</sup> 2016. Hence, the information as required under the Micro, Small and Medium Enterprises Development Act, 2006 is not disclosed.
26. Earning per share:

	2015-2016	2014-2015
A. Calculation of Weighted Average Number of Equity Shares of Rs.10/- each		
Number of shares at the beginning of the year	10000	10000
Total number of shares at the end of the year	10000	10000
Weighted average number of shares outstanding during the year	10000	10000
B. Net Profit/ loss after tax available for equity share holders [AMT. RS.]	74434	736528
C. Basic & Diluted Earnings per share [IN RS.]		
Before extra ordinary items	7.44	73.65
After extra ordinary items	7.44	73.65

27. The information required as per para 5 (viii) (a) of part II of schedule III of the Companies Act, 2013 regarding information about the value of imports calculated on CIF basis, in respect of imported raw materials, components & spare parts and capital goods is Rs. NIL.
28. The information required as per para 5 (viii) (b), (d) & (e) of part II of schedule III of the Companies Act, 2013 regarding expenditure in foreign currency, the dividend remitted in foreign currency and earning in foreign exchange is Rs. NIL.



**SHAILY INFRASTRUCTURE PRIVATE LIMITED**  
**NOTES FORMING PART OF ACCOUNTS:**

29. The information required as per para 5 (viii) (c) of part II of schedule III of the Companies Act, 2013 regarding information about the total value of imported raw materials, spare parts & components consumed and the total value of indigenous raw-materials, spare parts & components consumed and percentage of each to the total consumption are as follows:

RESIDENTIAL BUNGALOW PROJECT PARTICULARS	[AMT. RS.]			
	%	2015-2016	%	2014-2015
<b>I) VALUE OF IMPORTED &amp; INDIGENOUS SPARE PARTS &amp; COMPONENTS CONSUMED</b>				
Imported	-	0	-	0
Indigenous	-	0	-	0
<b>TOTAL</b>	-	<b>0</b>	-	<b>0</b>
<b>II) VALUE OF IMPORTED &amp; INDIGENOUS RAW MATERIAL CONSUMED</b>				
Imported	-	0	-	0
Indigenous	-	0	100	1604204
<b>TOTAL</b>	-	<b>0</b>	-	<b>1604204</b>

30. The details of unsecured business advances taken from related parties are as follows:-

NAME OF COMPANY	[AMT. RS.]	
	BALANCE AS ON 31/03/2016	BALANCE AS ON 31/03/2015
From Inter Corporate Deposit:-		
Ganesh Housing Corporation Limited	50483203	41895240
Gaven Construction Private Limited	19000	19000
Vivan Infrastructure Private Limited	500000	500000
<b>TOTAL</b>	<b>51002203</b>	<b>42414240</b>
From Directors:-		
Shri Sanjay Manilal Kothari	44950000	44950000
Shri Tejas C. Joshi	46450000	46450000
<b>TOTAL</b>	<b>91400000</b>	<b>91400000</b>





**SHAILY INFRASTRUCTURE PRIVATE LIMITED**  
**NOTES FORMING PART OF ACCOUNTS:**

31. Related party disclosures:-

1. **HOLDING COMPANY:-**

Ganesh Housing Corporation Limited

2. **ENTITIES OVER WHICH THE COMPANY OR SUBSIDIARY COMPANY OR KEY MANAGERIAL PERSONNEL OR THEIR RELATIVES EXERCISE SIGNIFICANT INFLUENCE:-**

PARTICULARS	
Shri Ganesh Construction Private Limited	Madhuj Realty Private Limited
Starnet Software (I) Limited	Madhumati Realty Private Limited
Mandar (Thaltej) Complex Private Limited	Tirth Developers Private Limited
Mitul (Thaltej) Complex Private Limited	Malvika Estate Private Limited,
Vinat Complex Private Limited	Mahavir (Thaltej) Complex Private Limited
Madhuram Resorts Private Limited	Sulabh Realty Private Limited
Vishad Complex Private Limited	Rajratna Infrastructure Private Limited
Tarang Realty Private Limited	Shardul Buildcon Private Limited
Shahil Infrastructure Private Limited	Shadval Complex Private Limited
Gamit Builders Private Limited	Rajnigandha Developers Private Limited
Vyom Realty Private Limited	Gagan Infrastructure Private Limited
Unmesh Complex Private Limited	Gitanjali Infrastructure Private Limited
Shushna Complex Private Limited	Sujan Developers Private Limited
Viraj Complex Private Limited	Gatil Properties Private Limited
Milind Complex Private Limited	Maheshwari (Thaltej) Complex Private Limited
Rohini Realty Private Limited	Yash Organiser Private Limited
Nilay Realty Private Limited	Essem Infra Private Limited
Sanmukh Developers Private Limited	Vivan Infrastructure Pvt. Ltd.
Nihal Estate Private Limited	Credo Real Estate Private Limited
Vimoh Land Developers Private Limited	Seven Sleek Studio Private Limited
Gaven Construction Private Limited	Kothari Finance
Vardhan Land Developers Private Limited	Sujyoti Construction
Vibhor Realty Private Limited	Vivan Infra
Ganesh Infrastructure (I) Private Limited	Vivan Natura
Ganeshsagar Infrastructure Private Limited	Bhagwati Corporation
Martand Estate Private Limited	Akshar Enterprise
Matang Properties Private Limited	Magnolia Infra
Maitrik Buildcon Private Limited	GIHED
Medhbhuti Complex Private Limited	Vivan Infrastructure
Madhav (Thaltej) Complex Private Limited	Cloud 9 Infraspac LLP
Madhurkamal (Thaltej) Complex Private Limited	

3. **KEY MANAGEMENT PERSONNEL:-**

Shri Dipak G. Patel
Shri Shekhar G. Patel
Shri Sanjay M. Kothari
Shri Tejas C. Joshi

4. **RELATIVE OF KEY MANAGEMENT PERSONNEL:-**

Smt. Dhara Tejas Joshi
Smt. Jesika Kothari



**SHAILY INFRASTRUCTURE PRIVATE LIMITED**  
**NOTES FORMING PART OF ACCOUNTS:**

Nature of transactions with related parties and aggregate amount of such transactions for each class of related parties balances outstanding as on 31/03/2016.

(Related Party relationship is as identified by the Company and relied upon by the auditors.)

Transactions with Related Parties:-


[AMT. RS.]

Nature of Transaction by reporting company	Holding Company	Subsidiaries	Associates	Key Managerial Personnel	Relative of Key Managerial Personnel	Total
Loan Taken	50483203 (41895240)	NIL (NIL)	519000 (519000)	91400000 (91400000)	NIL (NIL)	142402203 (133814240)
Trade Payables	NIL (2029077)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (2029077)
Trade Receivables	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	3885510 (3885510)	3885510 (3885510)
Advance From Customers	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	3940486 (3940486)	3940486 (3940486)
Reimbursement of Exp.	NIL (NIL)	NIL (NIL)	29879 (29879)	179557 (179557)	NIL (NIL)	209436 (209436)
Sales	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (2850720)	NIL (2850720)

Note: Figures in brackets represent Previous Year's amounts.

32. There is no permanent and timing difference as per books and as per Income Tax Return of the company. Hence, no provision is made for deferred tax by the company.

As per our report of even date  
For J.M.PARIKH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN:- 118007W

  
KAUSHAL SHAH  
PARTNER  
MEM. NO. 127379



PLACE: AHMEDABAD  
DATE : 23/05/2016

On behalf of the Board of Directors



DIPAK G. PATEL  
CHAIRMAN  
[DIN: 00004766]



SHEKHAR G. PATEL  
DIRECTOR  
[DIN: 00005091]

PLACE: AHMEDABAD  
DATE : 23/05/2016

===== J. M. PARIKH & ASSOCIATES =====  
CHARTERED ACCOUNTANTS  
7th Floor, B/705, Nirman Complex,  
Opp. Havmor Restaurant,  
Navrangpura, AHMEDABAD-9.