

# MANAV INFRA PROJECTS PRIVATE LIMITED

REGD OFF: 51, GLORY, VASANT MARVEL, OPP. W. EXP. HIGHWAY,  
BORIVALI (E), MUMBAI - 4000066

## DIRECTORS REPORT 2012-2013

TO  
THE MEMBERS OF  
MANAV INFRA PROJECTS PVT. LTD.  
MUMBAI

The Directors of Manav Infra Projects Pvt. Ltd., take great pleasure in presenting this 4th Annual Report for the Financial Year ending March 31, 2013 on the business and operation of our Company.

## FINANCIAL PERFORMANCE

	As on 31.03.2013 Rs. In Lacs	As on 31.03.2012 Rs. In Lacs
Prfit / (Loss) for the year	60.97	114.56
Provision for taxation & Deferred tax	21.99	36.55
Profit/(Loss) after taxation	38.98	78.01
Previous year Profit C/f	166.68	86.28
Previous period excess/(Short) Provision	(1.78)	2.39
Balance Carried to Balance Sheet	203.88	166.68

## DIVIDEND

As the company likes to retain the profits, your directors do not recommend payment of any dividend on the shares for the year ending 31<sup>st</sup> March 2013.

## OPERATIONS

Our company has completed Fourth years since its inception. It is providing Site Clearance and Excavation services and is getting expected results due to the diligent effort by your Directors though there is economic recession and constraints in the construction area. The company has achieved a turnover of Rs. 1199.87 Lacs in the current year of operation and has achieved a net profit after tax of Rs. 38.98 Lacs which is very encouraging and satisfactory. Due to higher depreciation as per the Companies Act, 1956 compared to Income Tax Act, 1961, the higher profit is not reflected in the financial statements in comparison to its previous year. Hence in spite of global economic recession and slow domestic economic growth your directors are proud to say that your company has achieved good results. Further your directors are confident that the ensuing year will also give higher growth as the Company has received new orders and projects.

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## PUBLIC DEPOSITS

During the year under review the company has not accepted any deposits from the public under section 58A and 58AA of the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rule.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO.

In accordance with the requirements of section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988, statements showing particulars with respect to conservation of energy and technology absorption are not applicable to our Company. Since there was no export business or expenses during the year, the question of foreign exchange earning and outgo does not arise.

## PARTICULARS OF EMPLOYEES

Relation between Employees and management remained cordial the year under review. Statement containing information as per section 217(2A) of the Companies Act, 1956 read with Companies (particulars of employees) Rules 1975.

<b>Name, Age &amp; Qualification</b>	<b>Designation and Date of Appointment</b>	<b>Remuneration in Rs.</b>	<b>Particulars of Last Employment</b>
N. A	N. A	N. A	N. A

## DIRECTORS RESPONSIBILITY STATEMENT:

As stipulated in section 217 (2AA) of the Companies Act 1956 your Directors wish to inform that:

- I. In preparation of the annual accounts, the applicable accounting standard has been followed along with proper explanation relating to our business.
- II. The Directors have selected such accounting policies and applied them consistently and made the 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 ending 31<sup>st</sup> March 2013 and of Profit / (Loss) of the Company for the said year.

# MANAV INFRA PROJECTS PRIVATE LIMITED

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- III. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- IV. The Directors have prepared the annual accounts on a going concern basis.

## **AUDITORS**

M/s. "K. N. Sureshkumar & Co" Chartered Accountants, who are the statutory auditors of the Company hold office, in accordance with the provisions of the Companies Act, 1956, up to the conclusion of the ensuing Annual General Meeting and are eligible for appointment. You are requested to consider their reappointment.

## **ACKNOWLEDGEMENTS**

Your directors wish to place on record their gratitude to their esteemed clients, suppliers, bankers, employees of the company and above all, its shareholders and investors for their continued support and co-operation. Your directors' further wish to record their appreciation for the co-operation received from others at all levels.

**For and on behalf of Board of Directors  
of Manav Infra Projects Private Limited**

Sd/-

**MAHENDRA NARAYAN RAJU**

**(CHAIRMAN)**

**PLACE: MUNBAI**

**DATE: 12<sup>th</sup> September, 2013**

**AUDITORS REPORT**

To  
The Members of  
MANAV INFRA PROJECTS PVT LTD  
MUMBAI.

1. We have audited the attached Balance Sheet of MANAV INFRA PROJECTS PVT LTD as at 31<sup>st</sup> March 2013 and also the Profit & 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.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the 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. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 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 paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
  - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
  - iii. The balance sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.

- iv. In our opinion, the Balance Sheet and Profit & Loss account dealt with by this report comply with the accounting standards referred to in subsection (3C) of section 211 of the Companies Act, 1956.
- v. On the basis of written representations received from directors, as on 31<sup>st</sup> March, 2013, and taken on record by the Board of Directors, as required under clause (f) of sub section (3) of section 227 of the Companies Act, 1956. we further report that none of the Directors is disqualified as on 31<sup>st</sup> March 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with 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 the accounting principles generally accepted in India;
- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2013 and
- (b) In the case of the Profit & Loss Account, of the Profit for the year ended on that date.

FOR K.N. SURESHKUMAR & CO  
(FRN : 125677W)  
CHARTERED ACCOUNTANTS

Sd/-

SURESHKUMAR.K.N  
(PROPRIETOR)  
Membership No. 202055

Place: Mumbai

Date: 12<sup>th</sup> September, 2013

**ANNEXURE TO THE AUDITOR'S REPORT**

**As required by the Companies (Auditor's Report) Order, 2003, issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and as per the information and explanation given to us during the course of audit, we further state that:**

Re: Manav Infra Projects Pvt. Ltd.

(i) In Respect of Fixed Assets:

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for the physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanation given to us, the Company has disclosed the disposal of assets in the financial statements, and in our opinion that there is no change in the status of going concern status of the company.

(ii) In Respect of Inventory:

The company is providing services hence there is no major inventory in the company other than stationeries and other miscellaneous items. With regard to those items we state that:

- (a) The Inventory has been physically verified during the year by the management. And in our opinion, the frequency of verification is reasonable.
- (b) The procedures of verification of Inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanation given to us it is stated here that due to complex nature of business it is difficult to find any material discrepancy on physical verification. And also refer our note to accounts about inventory.
- (iii) The company has granted or taken loans secured or unsecured to / from companies, firms or other parties covered in the register maintained under section 301 of the companies Act, 1956, the same is disclosed under related party disclosures in the notes to accounts.
- (iv) In our opinion, and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. During the course of our audit, we have not observed any major weakness in such internal control system.
- (v) In respect of contracts or arrangements entered in the register maintained in pursuance of section 301 of the Companies Act 1956, to the best of our knowledge and belief and according to the information and explanation given to us: We are of the opinion that the particulars of the contracts or arrangement referred to in Section 301 of the Companies Act 1956 have been entered in the register required to be maintained under that Section.
  - (a) We are of the opinion that the particulars of the contracts or arrangement referred to in Section 301 of the Companies Act 1956 have been entered in the register required to be maintained under that Section.
  - (b) Where each of such transactions is in excess of Rs.5 lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits from public hence the provisions of Section 58, 58AA or any other relevant provision of the Act and the rules framed there under are not applicable to the Company.
- (vii) In our opinion the Company has not implemented an internal audit system commensurate with the size and nature of its business.
- (viii) According to the information provided and in our opinion the maintenance of cost records, prescribed by Central Government U/s 209(1) (d) is not applicable to the Company.

- (ix) According to the information and explanation given to us in respect of statutory and other dues:
- (a) The Company has been regular in depositing undisputed statutory dues with the appropriate authorities during the year subject to some delay.
  - (b) In case of this company there are undisputed amounts payable in respect of the income tax, service tax and cess were in arrear, as at 31<sup>st</sup> March 2013, for a period of more than six month from the date they became payable.
  - (c) In case of this company there are no statutory dues which have been deposited on account of any dispute.
  - (d) Further since the central government till date not prescribed the amount of cess payable under section 441A of the Companies Act,1956.We are not in a position to comment up on the regulatory or otherwise of the company in depositing the same.
- (x) The company neither have accumulated losses at the year end nor incurred any losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) Based on our audit procedures and on the according to the information and explanations given to us by the management we are of the opinion that the company has not defaulted in repayment of dues to financial institution, banks and debenture holders, but in some cases we have observed delay in making repayment.
- (xii) In our opinion and according to the information and explanation given to us the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion the Company is not a chit fund or a nidhi / Mutual benefit fund/ Society therefore the provisions of clause 4(xiii) of the companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (xiv) In our opinion the Company is not dealing in or trading in shares, securities, debentures and other investments, accordingly the provision for clause 4(xiv) of Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (xv) In our opinion and according to the information and Explanations given to us the Company has not given any guarantee for the loans taken by others from banks and financial institutions.



- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, the company has availed Vehicle loan, machinery Term Loan, and bank overdraft during the year and has applied the loans for the purpose it was raised.
- (xvii) According to the information and explanations given to us on an overall examination of the balance sheet of the company we report that no funds raised on short term basis have been used for long term investment.
- (xviii) According to the information and explanations given to us, the Company has not made preferential allotment of shares during the year to the parties and companies covered in register maintained under Section 301 of the Act.
- (xix) According to the information and explanations given to us and the records examined by us the company has not issued any kind of debentures.
- (xx) During the year the company has not raised any money by public issues.
- (xxi) 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 and due to the complexity of the business we believed the certificate given by the management to report this point .

For K N SURESHKUMAR & CO.  
(FRN. 125677W)  
CHARTERED ACCOUNTANTS

Sd/-

SURESHKUMAR K N  
(Proprietor)  
Membership No. 202055

Place: Mumbai

Date: 12<sup>th</sup> September, 2013

# MANAV INFRA PROJECTS PRIVATE LIMITED

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2013

Particulars	Notes No.	As at	As at
		31st March, 2013 (Rupees)	31st March, 2012 (Rupees)
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholder's funds</b>			
Share capital	1	20,000,000	20,000,000
Reserves and surplus	2	20,387,738	16,668,315
Money received against share warrants		-	-
<b>Non-current liabilities</b>			
Long-term borrowings	3	34,409,730	48,896,734
Deferred tax liabilities (Net)		653,464	973,264
Other long-term liabilities		-	-
Long-term provisions		-	-
<b>Current Liabilities</b>			
Short-term borrowings	4	43,546,613	15,930,354
Trade payables	5	18,186,390	25,596,269
Other current liabilities	6	12,882,455	11,963,321
Short-term provisions	7	2,518,818	4,382,348
<b>Total</b>		<b>152,585,208</b>	<b>144,410,605</b>
<b><u>ASSETS</u></b>			
<b>Non-current assets</b>			
Fixed assets			
(i) Tangible assets	8	35,398,597	51,050,532
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		21,733,600	-
(iv) Intangible assets under development		-	-
Non-current investments		-	-
Long-term loans and advances	9	3,902,688	14,921,039
Other non-current assets	10	126,548	174,497
<b>Current Assets</b>			
Current investments		-	-
Inventories		-	-
Trade receivables	11	66,357,312	69,357,133
Cash and cash equivalents	12	15,681,893	1,859,964
Short-term loans and advances	13	9,384,570	7,047,440
Other current assets		-	-
<b>Total</b>		<b>152,585,208</b>	<b>144,410,605</b>
Summary of significant accounting policies	18		

The accompanying notes are an integral part of the Financial Statements

As per our report of even date  
For K.N.Sureshkumar & Co.(FRN: 125677W)  
Chartered Accountants

For Manav Infra Projects Private Limited

Sd/-

Sd/-

Sd/-

Sureshkumar K.N.  
Proprietor  
Membership No.202055  
Place: Mumbai  
Date: 12th September, 2013

Director

Director

## MANAV INFRA PROJECTS PRIVATE LIMITED

### Notes to the financial statements for the year ended 31st March ,2013

	As at 31st March, 2013 (Rupees)	As at 31st March, 2012 (Rupees)
<b>Note 1</b>		
<b>Share capital</b>		
Authorised capital 20,00,000 (31st March, 2012 :20,00,000) Equity Shares of Rs.10/-e:	20,000,000	20,000,000
	<u>20,000,000</u>	<u>20,000,000</u>
Issued, subscribed and fully paid up capital 20,00,000 (31st March, 2012 :20,00,000) Equity Shares of Rs.10/-e:	20,000,000	20,000,000
	<u>20,000,000</u>	<u>20,000,000</u>

	As at 31st March, 2013 (No. of Shares)	As at 31st March, 2012 (No. of Shares)
<b>a) Reconciliation of number of equity shares outstanding</b>		
At the beginning of the year	2,000,000	230,000
Add: Issued during the year	-	1,770,000
Outstanding at the end of the year	<u>2,000,000</u>	<u>2,000,000</u>

#### **b) Shareholders holding more than 5% of Equity Shares in the Company**

Name of the shareholder	% holding in the class	% holding in the class
Mahendra Raju	85.00%	85.00%
Mahalakshmi Raju	7.50%	7.50%
Rajamma raju	7.50%	7.50%

	As at 31st March, 2013 (Rupees)	As at 31st March, 2012 (Rupees)
<b>Note 2</b>		
<b>Reserves and surplus</b>		
Profit & Loss statement		
Opening balance	16,668,315	8,628,125
Income tax adjustment - provision	(179,042)	238,811
	<u>16,489,273</u>	<u>8,866,936</u>
Add:- Profit for the year	3,898,465	7,801,379
	<u>20,387,738</u>	<u>16,668,315</u>

#### **Note 3**

##### **Long-term borrowings**

##### **Secured loan**

HDFC Bank-Bolero	250,406	401,482
HDFC Bank-Piling- 2	10,039,957	14,895,394
HDFC Bank-Tata 407	-	81,309
IndusInd Bank-Tauras 8124	802,039	478,714
IndusInd Bank-Tauras 8128	841,966	425,329
Srei- L&T komastu-2	-	1,196,085

## MANAV INFRA PROJECTS PRIVATE LIMITED

### Notes to the financial statements for the year ended 31st March ,2013

	As at 31st March, 2013 (Rupees)	As at 31st March, 2012 (Rupees)
Srei- Piling 1	20,166,643	24,899,723
Srei-Rock Breaker-2	-	385,227
Srei-Rock Breaker-3	264,587	645,283
Srei-Tata Hitachi-3	867,944	2,138,061
Srei-tata-5 & Rock-1	500,930	1,504,267
(Against hypothecation of Plant & Machinery Purchased under the relevant loans )		
<b>Sub-total</b>	<b>33,734,472</b>	<b>47,050,874</b>
<b><u>Unsecured loan</u></b>		
Bajaj Finance -Business Loan	259,859	724,009
Kotak Mahindrs Bank	415,399	1,121,851
<b>Sub -total</b>	<b>675,258</b>	<b>1,845,860</b>
<b>Total</b>	<b>34,409,730</b>	<b>48,896,734</b>

#### **Note 4**

##### **Short-term borrowings**

Syndicate bank Overdrafts	43,546,613	15,930,354
( Against hypothecation of Book Debts, office premises& Personal Guarantee of Directors including their properties)		
	<b>43,546,613</b>	<b>15,930,354</b>

#### **Note 5**

##### **Trade payables**

Creditors for Expenses	18,186,390	25,596,269
	<b>18,186,390</b>	<b>25,596,269</b>

#### **Note 6**

##### **Other current liabilities**

Creditors for Fixed Assets	-	400,000
Statutory dues	12,310,008	11,059,353
Salaries and allowances payable	291,547	279,248
Audit fees payable	280,900	224,720
	<b>12,882,455</b>	<b>11,963,321</b>

#### **Note 7**

##### **Short-term provisions**

For Income Tax	2,518,818	4,382,348
	<b>2,518,818</b>	<b>4,382,348</b>

#### **Note 8**

##### **Non-current assets**

Fixed Assets (Enclosed separately)

#### **Note 9**

##### **Long-term loans and advances**

Unsecured deposit and advances

## MANAV INFRA PROJECTS PRIVATE LIMITED

### Notes to the financial statements for the year ended 31st March ,2013

	As at 31st March, 2013 (Rupees)	As at 31st March, 2012 (Rupees)
Considered good	3,902,688	14,921,039
Considered doubtful	-	-
Less: Provision for doubtful deposit	-	-
	3,902,688	14,921,039

#### **Note 10**

##### **Other non-current assets**

Preliminary expenses (to the extent not written off )	126,548	174,497
	126,548	174,497

#### **Note 11**

##### **Trade receivables**

Secured Considered good	-	-
Unsecured Considered good		
Exceeding six months from due date	29,324,320	5,638,448
Others	37,032,992	63,718,685
Doubtful	-	-
	66,357,312	69,357,133

#### **Note 12**

##### **Cash and cash equivalents**

Balance with Banks		
Current Accounts	604,182	1,858,729
Earmarked Balances	-	-
Deposit Accounts	-	-
Cheques, drafts on hand	-	-
Cash on hand	5,091,781	1,235
Cash at sites	9,985,930	
	15,681,893	1,859,964

#### **Note 13**

##### **Short-term loans and advances**

(Unsecured and Considered Good, unless otherwise stated)

<b>Loans and Advances to Related parties</b>		
Loans and Advances	6,841,731	-
<b>Others</b>		
with Statutory Authorities	2,322,856	3,689,745
<b>Commercial Advances and Deposits</b>		
Secured, considered good	-	-
Unsecured, considered good	-	3,311,695
Other Loans and Advances (Employees, Unexpired Expenses	219,983	46,000
	9,384,570	7,047,440

**MANAV INFRA PROJECTS PRIVATE LIMITED**

Notes to the financial statements for the year ended 31st March ,2013

**Note- 8 FIXED ASSETS**

Particulars	Dep. Rate	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		Cost as on 1st April 2012	Additions during the year	Deletions during the year	Cost as on 31st March 2013	As at 1st April 2012	For the Year	Reversal	As at 31st March 2013	WDV as on 31st March 2013	WDV as on 31st March 2012
<b>Tangible Assets</b>											
Air Conditioners	13.91%	19,500	-	-	19,500	4,383	2,103	-	6,486	13,014	15,117
Telephone	13.91%	21,320	-	-	21,320	5,530	2,196	-	7,726	13,594	15,790
Furniture & Fixtures	18.10%	25,000	-	-	25,000	8,306	3,022	-	11,328	13,672	16,694
Motor Car	25.89%	443,124	-	-	443,124	66,949	97,392	-	164,341	278,783	376,175
Computers / Laptop	40.00%	152,215	56,426	-	208,641	54,242	50,691	-	104,933	103,708	97,973
Printer	40.00%	6,825	-	-	6,825	3,103	1,489	-	4,592	2,233	3,722
<b>Plant and Machinery</b>											
JCB 3DX Backhoe loader	30.00%	1,027,000	-	-	1,027,000	560,168	140,050	-	700,218	326,782	466,832
Piling Rig No-1	30.00%	34,823,140	-	-	34,823,140	13,165,390	6,497,326	-	19,662,716	15,160,424	21,657,750
Piling Rig No-2	30.00%	23,133,059	-	-	23,133,059	7,091,192	4,812,561	-	11,903,753	11,229,306	16,041,867
Rock Breaker-2008	30.00%	1,003,591	-	1,003,591	-	440,810	13,877	454,687	-	-	562,781
Rock Breaker-2009	30.00%	1,393,600	-	-	1,393,600	757,882	190,715	-	948,597	445,003	635,718
Rock Breaker-2010	30.00%	1,372,000	-	-	1,372,000	548,950	246,915	-	795,865	576,135	823,050
Rock Breaker-2011	30.00%	1,125,000	-	-	1,125,000	381,514	223,046	-	604,560	520,440	743,486
Rock Breaker-2011	30.00%	1,125,000	-	-	1,125,000	387,986	221,104	-	609,090	515,910	737,014
Tata-407EX	30.00%	590,304	-	-	590,304	345,751	73,366	-	419,117	171,187	244,553
Tata-300EX	30.00%	700,000	-	-	700,000	17,260	204,822	-	222,082	477,918	682,740
Tata Hitachi-2	30.00%	1,000,000	-	-	1,000,000	360,411	191,877	-	552,288	447,712	639,589
Tata Hitachi-3	30.00%	4,069,081	-	-	4,069,081	1,621,055	734,408	-	2,355,463	1,713,618	2,448,026
Tata Hitachi-4	30.00%	2,000,000	-	-	2,000,000	720,822	383,753	-	1,104,575	895,425	1,279,178
Tata Hitachi-5	30.00%	3,511,229	-	-	3,511,229	1,542,248	590,694	-	2,132,942	1,378,287	1,968,981
Taurus-8124.	30.00%	1,717,787	-	-	1,717,787	921,040	239,024	-	1,160,064	557,723	796,747
Taurus-8128.	30.00%	1,717,787	-	-	1,717,787	921,040	239,024	-	1,160,064	557,723	796,747
<b>Total</b>		<b>80,976,562</b>	<b>56,426</b>	<b>1,003,591</b>	<b>80,029,397</b>	<b>29,926,032</b>	<b>15,159,455</b>	<b>454,687</b>	<b>44,630,800</b>	<b>35,398,597</b>	<b>51,050,530</b>
Previous year		<b>84,871,762</b>	<b>3,121,084</b>	<b>7,016,284</b>	<b>80,976,562</b>	<b>10,267,592</b>	<b>22,437,232</b>	<b>2,778,794</b>	<b>29,926,030</b>	<b>51,050,532</b>	<b>74,604,170</b>

note:-

1. Office premises Purchased at Mumbai for the purpose of using as its office is shown under Capital Work in Progress and the cost of the premises is Rs. 2,17,33,600/- including cost, stamp duty and registration charges.

## **MANAV INFRA PROJECTS PRIVATE LIMITED**

**Notes to the financial statements for the year ended 31st March ,2013**

### **Note 18**

#### **I SIGNIFICANT ACCOUNTING POLICIES**

##### **Accounting Convention**

The Financial Statements have been prepared under the Historical Cost Convention on accrual basis and in accordance with the generally accepted accounting principles & as per the Provisions of the Companies Act, 1956.

##### **Use of Estimates**

The preparation of the financial statements in conformity with the accounting standards generally accepted in India requires the management to make estimates that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statement and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates.

##### **Fixed Assets**

Company has maintained records for fixed assets acquired during the year and stated at cost. Fixed assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for intended use. Fixed Assets acquired and not ready for use is shown as Capital work in progress in the Balance Sheet.

##### **Depreciation**

Depreciation on Fixed Assets has been provided on written down value basis at the rates prescribed in schedule XIV of the Companies Act, 1956 except on office premises as renovation is in progress and not effectively put to used till the year end.

##### **Expenses and Incomes**

All Expenses and Incomes are accounted for on mercantile basis except as given below :

- 1 Subsidies, reliefs, concessions, Insurance claims, interest on overdue bills of Customers - As and when the amount finally receivable against these are ascertained.
- 2 Income/Expenditure, which can not be reasonably ascertained, are accounted as and when ascertained.

##### **Borrowing Costs:**

Borrowing costs attributable to acquisition or construction of qualifying assets are capitalised as part of the cost of assets up to the date such assets are ready for their intended use. Other borrowing costs are recognised as expense in the period in which they are incurred.

## **MANAV INFRA PROJECTS PRIVATE LIMITED**

### **Intangible Assets:**

The company does not have any intangible assets for the period under review.

### **Investments:**

The Company does not have any investment for the period under review.

### **Inventories:**

Being into complex nature of business the company does not maintain the quantitative stock of store and spares consumable and is being directly charged to purchases account in profit and loss account as they are consumed on the site and their life is very limited

### **Impairment of Assets**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

### **Employee Benefits:**

Leave Encashment and Gratuity Payment - As and when claimed and amount payable there against are ascertained.

### **Research and Development:**

The company has not incurred any amount towards research and development for the period under review.

### **Revenue Recognition:**

Revenue from the Site services is recognised based on the completion of the work and as per the terms of contract. It is difficult to identify the completion of the work due to the complexity of the services rendered. Hence the management's confirmation is accepted in identifying the above.

### **Foreign Exchange Transactions:**

Foreign exchange transactions are recorded at the rate of exchange prevailing on the date of transactions. Monetary assets and liabilities denominated in foreign currency are translated at year end basis. Exchange loss/gain, if any, is charged / credited to the profit and loss account.

### **Earnings Per Share**

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year.



## **Related Party Disclosures**

As required by Accounting Standard 18 issued by the Institute of Chartered Accountants of India reporting for related party transaction are given as follows

(a) Parties where control exists

Key Management Personnel:-

1. Mr. Mahendra Raju - Director
2. Mrs. Mahalakshmi Raju - Director
3. Mrs. Rajamma Raju - Director

(b) Relatives of Key Management Personnel

1. Mr. V N Raju- Brother in law
2. Ms Bharathi Raju- Sister
3. Mr. Narayan Raju- Father
4. Gomesh M Raju- Minor Child
5. Sushant Raju- Minor Child

(c) Entities Controlled by Key Management Personnel (Other Related Parties)

1. Hitech Earthmover - ( prop.Bharathi Raju)
2. Mahalakshmi Enterprise
3. Sai baba Construction -(prop. Mahendra Raju)
4. Winner Transport
5. Sholingar Rock -(prop. V.N.Raju)

(d) Disclosure of transactions between the Company and Related Parties

for the year ended 31st March ,2013

Sr. No.	RELATED PARTY	RELATIONSHIP	TRANSACTION	PAYMENT	RECEIPT	O/S ON 31/03/2013
1	Mahendra Raju	Director	Remuneration Loans	2,400,000 8,342,231	- 1,500,500	- 6,841,731
2	Saibaba Construction	Prop. Concern of Director	Hiring /Contracts Charges Loans	2,375,449 1,879,000	- 1,879,000	- -
3	Mrs. Mahalakshmi Raju	Director	Remuneration	360,000	-	-
4	Mrs. Rajamma Raju	Director	Remuneration	420,000	-	-
5	Mr. V N Raju	Brother in law of Director	Hiring /Contracts Charges Sale of Machinery	1,495,669 -	- 600,000	- -
6	Sholingar Rock	Brother in law of Director	Hiring /Contracts Charges	629,680	-	-

for the year ended 31st March ,2012 (Previous Year)

Sr. No.	RELATED PARTY	RELATIONSHIP	TRANSACTION	PAYMENT	RECEIPT	O/S ON 31/03/2012
1	Mahendra Raju	Director	Remuneration Loans (Opening Rs 68,15,219)	2,400,000 26,666,502	- 19,851,283	- -
2	Saibaba Construction	Prop. Concern of Director	Loans (Opening Rs18,55,548)	5,051,548	3,196,000	- -
3	Mrs. Mahalakshmi Raju	Director	Remuneration Loans	360,000 1,500,000	1,500,000	-
4	Mahalakshmi Enterprise	Proprietary Concern of Director's Wife	Hiring /Contracts Charges	505,450	505,450	
4	Mrs. Rajamma Raju	Director	Remuneration Loans	280,000 1,500,000	1,500,000	-
5	Mr. V N Raju	Brother in law of Director	Hiring /Contracts Charges	1,470,721	1,470,721	-
6	Hitech Eartmover	Proprietary Concern of Director's sister	Hiring /Contracts Charges	505,049	505,049	-

## **MANAV INFRA PROJECTS PRIVATE LIMITED**

### **Taxes on Income:**

Current tax is determined as the amount of tax payable in respect of taxable income for the period as per the provisions of the Income Tax Act, 1961.

Deferred tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in or more subsequent periods. Deferred Tax assets are recognised and carried forward only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such asset items can be realised.

### **Provisions, Contingent Liabilities and Contingent Assets:**

In the opinion of the Board, Provisions have been made for all known liabilities and such provisions made are not in excess of amounts considered reasonably necessary.

The Board confirms that there are no claims against the company which have not been acknowledged as debts.

Contingent Assets are not recognised in the financial statements

- II** Figures of the current period is from 1.04.2012 to 31.03.2013.
- III** Cash balances are not verified as major part is lying in the sites hence it was not possible to verify the same.
- IV** Sundry Debtors, Loans and Advances, Sundry Creditors, Advances and Deposits and Bank Balances are subject to confirmation, reconciliation and consequent adjustment, if any.

## MANAV INFRA PROJECTS PRIVATE LIMITED

- V** Previous year's figures have been re-grouped / re-classified wherever necessary to conform to classification for the year.
- VI** Expenditure incurred on employees who are in receipt of remuneration not less than 6000000/- p.a when employed through out the year and Rs.500000/- per month when employed for part of the year is given in the Directors Report.
- VII** Directors remuneration, reimbursement of expenses to Directors, etc are credited to their respective current accounts and shown under other liabilities, if there is any balance.
- VIII** The Company has not received information from creditors regarding the status under the Micro, Small and Medium Enterprises Development Act and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under the said Act has not been given.

**IX** Payment to Auditors

	<u>2012-2013</u>	<u>2011-2012</u>
Audit Fees	168,540	140,450
Tax Audit	56,180	56,180
Taxation and Others	56,180	28,090
Consultancy and Other Matters		
	<u>280,900</u>	<u>224,720</u>

**X** **a) Expenditure in Foreign Currency**

	<u>31.03.2013</u>	<u>31.3.2012</u>
Travelling Expenses	NIL	NIL
b) Earnings in Foreign Exchange	NIL	NIL

- XI** We have conducted and completed the audit relying more on the representation and confirmation letter given by the management of the company.

For K.N.Sureshkumar & Co. (FRN: 125677W)  
Chartered Accountants

Sd/-

Sureshkumar K.N.  
Proprietor  
Membership No.202055  
Place: Mumbai  
Date: 12th September, 2013

For and on behalf of the Board of Directors  
Manav Infra Projects Private Limited

Sd/-

Director

Sd/-

Director