

SHELTER INFRA PROJECTS LIMITED



formerly CCAP Limited

REGD. AND HEAD OFFICE

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FORM B

1.	Name of the Company	SHELTER INFRA PROJECTS LIMITED
2.	Annual financial statements for the year ended	31 st March, 2013
3.	Type of Audit qualification	<p>1. Remuneration paid to whole-time Director amounting to Rs. 15.94 lac is subject to approval by the Central Government as per section 198(4) of the Companies Act, 1956. There is no impact for this loss for the year. (Refer Note 10 in Notes on accounts).</p> <p>2. The Company has not made any provision for interest on term loans and Cash Credit from state bank of India for the period from 1st October, 2012 to 31st March 2013 amounting to Rs. 146.70 Lac resulting in an understatement of loss for the year by the said amount. (refer Note 11 in the Notes on Accounts)</p> <p>Above accounting treatment is contrary to requirement of AS1 issued by Institute of Chartered Accountants of India.</p> <p>3. From the available Information, we are unable to ascertain whether provision for Taxation and Advance Income Tax/Tax deducted at source as on 31st March, 2013 amounting to Rs. 51.54 Lac and Rs 289.84 Lac respectively (vide Note 4 and Note 10 to Balance sheet) have been properly reflected.</p> <p>There may be revenue impact, which is not ascertainable at this stage. Disputed Liability if any, has remain undetected.</p>
4.	Frequency of qualification	
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report	


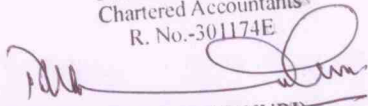

		<p>4. From the available information and explanations we are unable to form an opinion whether advances to certain parties amounting to Rs. 31.10 crore (including in Short Term Loans Advances under Current Assets in Note 14 to balance sheet) are not prejudicial to the interest of the Company. Revenue implications of the observation are not ascertainable at this stage.</p> <p>5. The Company has received Advance from Customers amounting to Rs. 17.37 Crore against booking of Residential Flats (included in "Advance from Customers" Under short Term Unsecured Loans in Note 5 to Balance sheet) which are outstanding around two years without any construction activity for flats. Under such circumstances we are unable to form an opinion whether such advances are not to be treated as "Public Deposit" as per rule 2 (VI) of the Companies (Acceptances of Deposit Rules) 1975. Revenue Implication of the observation is not ascertainable at this stage.</p>
4.	Frequency of qualification	First time
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report	<p><i>(The reply by the management on the qualified opinion of the Auditors has been incorporated in the Director's report forming a part of Annual Report, Pages: 10-12)</i></p> <p>1. The Company is in the process of filling the same with the Central Government.</p> <p>2. Company's accounts had been turned into NPA in the books of the bank due to non-payment of interest & principal amount as company could not generate enough cash for economic downturn and strolling of different projects executed by the company for the survival. As per the RBI guidelines once the account has turned NPA the banks are unable to charge any interest on the said asset. Hence Company on its own has</p>

charged a notional interest on the said facilities taken from the bank. Moreover the Company has approached the bank for restructuring of the account and once it is done all the outstanding amount as per agreed terms will be charged in the expenditure of the company's book.

3. Due to the pending cases with the Income Tax department, the company is unable to reflect the same in the books of accounts. Once the cases are disposed off the books of accounts shall be regularised and the effect for the same shall be given thereafter.

4. Company in the year 2009 undertook a residential project to boost up the revenue which was dropping every year due to the non-interest on the Company by the previous Promoters. The land on which the residential complex was to be build up was taken as development right from the respective land owners/Companies. The company will pay the consideration in installment from the connection of advance booking in the Residential Complex. Thus the amount is shown as advance given to different companies in the books of accounts.

5. As mentioned above the said residential complex was pre-launched and as per the market trend & rules advance booking has been taken on the units launched by the company. But due to delay in statutory clearances and impact on slow down the project remains stalled and the said information has been passed on to the buyers to wait till all the regulations properly taken care. Therefore it cannot be treated as public deposit as proper legal document has been passed on to them against their booking on particular unit chosen by the said proposed buyer.

6.	Additional comments from the board/audit committee chair	As mentioned above
7.	To be signed by- CEO/Managing Director / DIRECTOR	For SHEL TER INFRA PROJECTS LIMITED  Director
	CFO	NA
	Auditor of the company	For G. BASU & CO. Chartered Accountants R. No.-301174E  (P.K. CHAUDHURI) Partner (M. No. 003814)
	Audit Committee Chairman	For SHEL TER INFRA PROJECTS LIMITED  Director