



SHRISTI

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ANNUAL REPORT 2006 - 2007

**SHRISTI INFRASTRUCTURE DEVELOPMENT
CORPORATION LIMITED**

(Formerly Peerless Abasan Finance Limited)

SHRISTI INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED

(Formerly Peerless Abasan Finance Limited)

SEVENTEENTH ANNUAL REPORT 2006 - 2007

BOARD OF DIRECTORS

Mr. K. N. Bhandari
Mr. K.K. Chaudhuri
Mr. Vinod Juneja
Mr. Sujit Kanoria, Managing Director

COMPANY SECRETARY

Mr. Saptarshi Ganguly

SHARE TRANSFER AGENTS

MCS Limited
77/2A, Hazra Road,
Kolkata – 700 029

AUDITORS

De & Bose
Chartered Accountants

PRINCIPAL BANKERS

Uco Bank
Indian Bank

REGISTERED OFFICE

Ganga Jamuna Building
28/1, Shakespeare Sarani,
Kolkata – 700 017

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SHRISTI INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED

(Formerly Peerless Abasan Finance Limited)

NOTICE

Notice is hereby given that the Seventeenth Annual General Meeting of the Members of Shristi Infrastructure Development Corporation Limited (Formerly Peerless Abasan Finance Limited) will be held at 'Purbashree Auditorium' of Eastern Zonal Cultural Centre at Bharatiyam Cultural Multiplex, IB-201, Sector-III, Salt Lake, Kolkata - 700 106 on Saturday, the 29th September 2007, at 10.30 A.M. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2007 and the Profit and Loss Account for the year ended 31st March, 2007 and the Reports of the Directors and the Auditors of the Company.
2. To appoint a Director in place of Shri Sujit Kanoria, who retires from office by rotation, and being eligible, offers himself for re – appointment.
3. To appoint Auditors and to fix their remuneration.

To consider and, if thought fit, to pass the following Resolution, with or without modification, as an Ordinary Resolution:

"RESOLVED THAT subject to the provisions of Section 224 and other applicable provisions if any, of the Companies Act, 1956, M/s S.S.Kothari & Co, Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, in place of the retiring auditor, M/s De & Bose, Chartered Accountants who has expressed their unwillingness to be reappointed, to examine and audit the accounts of the Company for the financial year 2007–08 and the Board of Directors be and is hereby authorised to fix their remuneration."

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification, the following Resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 (including statutory modification(s) or re – enactment thereof for the time being in force) Shri Vinod Juneja, who was appointed as an Additional Director of the Company pursuant to the provisions of section 260 of the Companies Act, 1956, be and is hereby appointed as Director of the Company, liable to retirement by rotation in terms of the provisions of the Articles of Association of the Company."

5. To consider and, if thought fit, to pass with or without modification, the following Resolution as Ordinary Resolution :

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"RESOLVED THAT pursuant to provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 (including statutory modification(s) or re – enactment thereof for the time being in force) Shri K.K. Chaudhuri, who was appointed as an Additional Director of the Company pursuant to the provisions of section 260 of the Companies Act, 1956, be and is hereby appointed as Director of the Company, liable to retirement by rotation in terms of the provisions of the Articles of Association of the Company."

6. To consider and, if thought fit, to pass with or without modification, the following Resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 (including statutory modification(s) or re – enactment thereof for the time being in force) Shri K.N. Bhandari, who was appointed as an Additional Director of the Company pursuant to the provisions of section 260 of the Companies Act, 1956, be and is hereby appointed as Director of the Company, liable to retirement by rotation in terms of the provisions of the Articles of Association of the Company."

7. To consider and, if thought fit, to pass with or without modification, the following Resolution as Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions Sections 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the appointment of Shri Sujit Kanoria as the Managing Director of the Company for a period of two years with effect from 27th August, 2007 on the remuneration (including the remuneration to be paid in the event of loss or inadequacy of profit in any financial year during the tenure of his appointment) and on the terms and conditions as contained in the draft agreement a copy of which is placed before the meeting and duly initialed by the Chairman."

Registered Office :
'Ganga Jamuna Building'
28/1, Shakespeare Sarani
Kolkata – 700 017

Dated : 27th August, 2007

By Order of the Board of Directors
Shristi Infrastructure Development Corporation Limited
(Formerly Peerless Abasan Finance Limited)

Saptarshi Ganguly
Company Secretary

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Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
Proxies, in order to be effective must be lodged with the Company not less than 48 hours before the commencement of the Annual General Meeting.
2. Members / proxies should fill in the attendance slip for attending the Meeting. Members who hold shares in dematerialized form are requested to write their client ID and DP ID number and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting to facilitate identification of their membership at the meeting. Members are also requested to bring their copy of Annual Report to the Meeting.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 25/09/2007 to 29/09/2007 (both days inclusive).
4. Members are requested to notify their change of address, if any, to the Company/Share Transfer Agent, M/s MCS Limited, 77/2A, Hazra Road, Kolkata – 700 029.
5. At the ensuing Annual General Meeting Shri Vinod Juneja, Shri K.K.Chaudhuri, Shri K.N.Bhandari and Shri Sujit Kanoria seek appointment/reappointment as Directors. The details pertaining to these Directors required to be provided are enclosed herewith.
6. An Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the Special Business is annexed.

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT**

As required by Section 173(2) of the Companies Act, 1956, the following Explanatory Statement set out all material facts relating to the business mentioned under Item Nos. 3–7 of the accompanying Notice dated 27th August, 2007.

Item No. 3.

The accounts of the Company are presently being audited by M/s De & Bose, Chartered Accountants. M/s De & Bose has communicated that they are not seeking reappointment as the Statutory Auditors for the financial year 2007 – 08 at the ensuing Annual General Meeting.

The Company has received a special notice from a member of the Company, in terms of the provisions of the Act, signifying the intention to propose the appointment of M/s S.S.Kothari & Co., Chartered Accountants as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting. M/s S.S.Kothari & Co. have also expressed their willingness to act as Auditors of the Company, if appointed and have confirmed that their appointment would be in conformity with the provisions of Section 224(1B) of the Act.

In view of the above and based on the recommendation of the Audit Committee of the Board, the Board of Directors have at its meeting held on 27/08/2007 proposed the appointment of M/s S.S.Kothari & Co. as the Statutory Auditors in place of M/s De & Bose as the Statutory Auditors and the shareholder to authorize the Board of Directors to determine the remuneration payable to the Auditors.

None of the Directors of the Company is in any way, concerned or interested in the said resolution.

Item No. 4 to 6

The Board of Directors of the Company at its meeting held on 03.08.2007 had, pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article 119 of the Article of Association of the Company, appointed Shri Vinod Juneja, Shri K.K.Chaudhuri and Shri K.N.Bhandari as Additional Directors of the Company.

In terms of the provisions of Section 260 of the Act, Shri Vinod Juneja, Shri K.K.Chaudhuri and Shri K.N.Bhandari will hold the office up to the date of this Annual General Meeting.

The Company has received individual notice in writing from members along with deposit of Rs 500/- from

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each of the members proposing the candidature of Shri Vinod Juneja, Shri K.K.Chaudhuri and Shri K.N.Bhandari, liable to retirement by rotation under provisions of Section 257 of the Act.

Brief resume of these Directors, nature of their expertise in specific functional areas, names of companies in which they hold directorships, number of shares held in the Company and memberships/chairmanships of Board Committees, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided forming part of the Annual Report.

The Board accordingly recommends the Ordinary Resolution set out at item Nos. 4 to 6 of the accompanying Notice for the approval of the Members.

Except Shri Vinod Juneja, Shri K.K.Chaudhuri and Shri K.N. Bhandari, no other directors deemed to be concerned or interested in the resolutions relating to their respective appointment.

Item No. 7

The Board of Directors at its meeting held on 27/08/2007, has appointed Shri Sujit Kanoria as Managing Director for a period of two years with effect from 27th, August, 2007 on the terms and conditions as approved by the Remuneration Committee of Board.

Shri Sujit Kanoria is also occupying the position of Managing Director of a Subsidiary Company i.e. Shristi Urban Infrastructure Development Limited and he is already drawing remuneration from the said Company. However the remuneration drawn by him from both the companies would not exceed the higher limits fixed for any one of the company.

The material terms of the Draft Agreement as referred to in the Resolution are as follows:

A. Remuneration:**a. Salary –**

Mr. Sujit Kanoria will be entitled to a monthly salary of Rs 75,000/- (in the scale of Rs 50,000/- to Rs 2,00,000/-) inclusive of all other allowances, and perquisites, till the current financial year after which the aforesaid sum will be subject to the review of the Board.

b. Ex-gratia: Ex- gratia payment of 1(One) month's Salary per annum or such other higher sum as may be decided by the Board of the Directors of the company.**c. Perquisites:** In addition to the aforesaid, the Managing Director shall be entitled to the following perquisites:**i. Housing :**

- a) Fully Furnished residential accommodation or house rent allowance at the rate of 60% (Sixty percent) of salary or such other suitable amount as may be decided by the Board of Directors.
- b) Expenses pertaining to gas, electricity, water and other utilities will be borne / reimburse by the Company.
- c) Company shall provide such furniture and furnishing as may be required by the Managing Director.

ii. Medical Reimbursement

Reimbursement of actual medical expenses incurred in India and/ or abroad including hospitalization, nursing home and surgical charges for self and the family.

iii. Leave Travel Concession

Reimbursement of actual traveling expenses, for proceeding on leave, once in a year in respect of self and family.

iv. Club Fees

Reimbursement of membership fee for clubs in India and / or abroad, including admission and life membership fees.

v. Personal Accident Insurance

Payment of premium in respect of one Personal Accident Insurance Policy.

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vi. Contribution to provident fund, superannuation and Annuity fund

The Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund as per Rules of the Company, applicable for senior executive of the Company or such higher contribution as decided by the Board.

vii. Gratuity

Gratuity at a rate of half month's salary for each completed year of service or at such higher rate to be decided by the Board not exceeding 1 (One) month's salary for each completed year of service as per rules of the Company.

viii. Leave

Entitled for leave with full pay or encashment thereof as per the Rules of the Company.

ix. Other Perquisite

Subject to overall ceiling on remuneration prescribed in Schedule XIII to the Companies Act, 1956, the Managing Director may be given any other allowance, benefits and perquisites as the Board may from time to time decide.

Explanation:

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rule, perquisite shall be evaluated at actual cost.

d. Amenities**i) Conveyance Facilities**

The Company will provide suitable conveyance facilities to the Managing Director as may be required by him.

ii) Telephone, telefax and other communication facilities

The Company shall provide telephone, telefax and other communication facilities at the Managing Director's residence.

Mr. Kanoria, subject to the superintendence, control and direction of the Board, shall perform such duties and exercise such powers which may from time to time be entrusted to or vested to him by the Board.

OVERALL REMUNERATION:

The aggregate of salary, and perquisite in any one financial year shall not exceed the limit prescribed or to be prescribed from time to time under Sections 198, 269, & 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act as may for the time being in force.

MINIMUM REMUNERATION:

In the event of loss or inadequacy of profits in the financial year during the currency of tenure of service of the Managing Director, the payment of salary, perquisites etc. shall be the same as mentioned above as minimum remuneration.

The draft Agreement as aforesaid is open for inspection and will be placed before the meeting.

The Board recommends the resolution for approval of shareholder.

Except Shri Sujit Kanoria, no other Director is in any way concerned or interested in the aforesaid Resolution.

This may be treated as an extract u/s 302 of the Companies Act, 1956 in respect of appointment and remuneration payable to Shri Sujit Kanoria.

Registered Office :

'Ganga Jamuna Building'
28/1, Shakespeare Sarani
Kolkata - 700 017

By Order of the Board of Directors
Shristi Infrastructure Development Corporation Limited
(Formerly Peerless Abasan Finance Limited)

Saptarshi Ganguly
Company Secretary

Dated : 27th August, 2007

SHRISTI INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED

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**Details of Directors seeking re-appointment / appointment at the forthcoming Annual General Meeting
(In pursuance of Clause 49 IV (G)(i) of the Listing Agreement)**

Name of Director	Shri Sujit Kanoria	Shri K.N Bhandari	Shri Vinod Juneja	Shri K.K Chaudhuri
Date of Birth	23 rd , April 1968	1 st , March 1942	20 th , April 1949	27 th August 1940
Date of Appointment	01.03.2006	03.08.2007	03.08.2007	03.08.2007
Expertise in specific functional area	Infrastructure, Engineering and Information Technology	Insurance & Financial Services Management	Banking	Finance & Management
Qualifications	Graduated in Computer Science from the College of Wooster, Ohio. Global Advance Management from ISB, Wharton	B.A, LLB	B.Com (Hons), M.Com, CAIIB	M.A (Economics), CAIIB
Shareholding in the Company (No. of equity shares of Rs 10/- each)	1,00,000 Eq Shares	Nil	Nil	Nil
List of other public limited companies in which Directorship held	Shristi Urban Infrastructure Development Limited Adisri Investment Limited	1. Hindalco Ltd, 2. Andhra Cement Ltd 3. Saurashtra Cement Ltd 4. Agricultural Insurance Co. Ltd 5. Suraj Diamond & Jewelry Ltd 6. The Bank of Rajasthan Ltd.	1. Binani Metals Ltd	Nil
Chairman / Member of the Committees of the Board across all public companies of which he is a Director	Nil	Member of Audit Committee – Andhra Cement Ltd Chairman – Audit Committee – Agricultural Insurance Co. Ltd	Nil	Nil

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DIRECTORS' REPORT**TO THE MEMBERS**

Your Directors present the 17th Annual Report and the Audited Accounts for the year ended March 31, 2007.

AMALGAMATION OF SHRISTI INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED (Shristi) WITH THE COMPANY

After obtaining all the requisite regulatory approvals including confirmation by the Hon'ble High Court at Calcutta & New Delhi, the Scheme of Amalgamation of Shristi with your Company became effective on 30.07.2007. However the said Scheme became operative from the 'Appointed date' i.e. 01.04.2005, and the entire business and undertaking of the erstwhile Shristi has been vested in your Company on a going concern basis since that date.

As per the terms of Sanctioned Scheme of Amalgamation the Company has allotted on 27th, August 2007, 2,00,00,000 (Two Crore) Equity Shares of Rs.10/- each fully paid –up to the members of Shristi in the ratio of two equity shares of Rs.10/- each in the Company for every 1 (one) Equity Share of Shristi.

The Balance Sheet and Profit and Loss Account of Shristi are therefore merged with that of your company for the year ended 31st March,2007.

In view of the above Amalgamation and pursuant to the Scheme of amalgamation, management and control of the Company rest with erstwhile Shristi Infrastructure Development Corporation Limited.

The amalgamation is expected to strengthen the position of the Company and will benefit the shareholders, employees and all concerned.

REVIEW OF PERFORMANCE

The Financial Results of the Company for the year ended 31.03.2007 are summarized below :

Particulars	(Rs. in lakhs)	
	Year Ended 31.03.2007	Year Ended 31.03.2006
Total Income	8165.68	30.75
Gross profit / Loss before Depreciation	278.22	(10.69)
Less Depreciation	91.75	(0.70)
Profit / Loss Before Tax	186.47	(11.39)
Less Provision for-		
Current Tax	NIL	NIL
Fringe Benefit Tax	7.80	0.19
Deferred Tax Liability	(1.10)	(0.07)
Profit After Tax	179.77	(11.51)
Adjustment relating to earlier year	NIL	(0.30)

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Balance brought forward from previous year	(1186.27)	(1174.46)
Amount Available for Appropriations	(1006.50)	(1186.27)
Adjustment as per Scheme of Amalgamation (Refer to Schedule 14 of Balance Sheet)	1012.63	NIL

Appropriations

Transfer to General Reserve	NIL	NIL
Balance carried to Balance Sheet	6.13	(1186.27)

In view of the aforesaid amalgamation, the figures for the current year are not comparable to those of the previous year.

CHANGE OF NAME OF THE COMPANY

Pursuant to the terms of the sanctioned Scheme of Amalgamation, the name of your company stand changed from 'Peerless Abasan Finance Limited' to 'Shristi Infrastructure Development Corporation Limited' upon receipt of required Certificate from the Registrar of Companies, West Bengal.

OPERATIONAL REVIEW

During the year under review your Company has achieved a turnover of Rs 83.33 Crores and Net Profit after Tax of Rs 1.80 Crores. Your Company is now engaged in the business of Infrastructure development and construction of various prestigious projects such as married accommodation projects for defence personnel at Bareilly & Bhopal. The company has also created joint Ventures under PPP model & SPV's. Bengal Shristi Infrastructure Development Ltd. a JV Company has completed Durgapur City Centre project comprising of Commercial, Residential & Shopping mall with multiplex, the integrated township at Asansol & logistic hub at Raniganj are under progress. Shristi Hotel Ltd. an SPV of this Company is setting up a five star hotel at Rajarhat, Kolkata. Another SPV Shristi Udaipur Hotels & Resorts Ltd. is setting up a Vedic Hotel along with premium retail & commercial space at Udaipur, Rajasthan. The Company is also implementing various other projects such as Sports City at Haldia, Mixed used development at Krishnagar.

DIVIDEND

In order to build up resources, your Directors do not recommend payment of dividend for the financial year 2006 – 07.