

## AUDITOR'S REPORT

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To the members of  
**Romano Tiles Private Limited**

We have audited the attached Balance Sheet of Romano Tiles Private Limited as at March 31, 2011, and Profit and Loss Account and also the Cash Flow Statement 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.

We conducted our audit in accordance with the 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 misstatements. An audit includes examining, on a test basis, evidence supporting the accounts 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.

As required by The Companies (Auditors Report) Order, 2003, as amended by the Companies (Auditors' Report) (Amended) Order 2004, [Order] issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, do not apply to the Company in terms of section 1(2)(iv) of the said Order.

Further, 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 purpose of our audit.
- ii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- iii) 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.
- iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred in sub section (3C) of section 211 of the Companies Act, 1956.
- v) None of the directors of the Company would be disqualified under the provisions of section 274 (1) (g) of the Companies Act, 1956, from being appointed as a director of the Company, as the Company is a private company and the said section only provides for ineligibility from being appointed as a director of any other public company.
- 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 accounting policies and notes thereto, give the information required by the Companies Act, 1956, in the manner



so required and gives a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
- b) in the case of Profit and Loss Account, of the loss suffered by the Company for the financial year ended on that date; and
- c) in the case of Cash Flow Statement, of the cash flows of the Company for the financial year ended on that date.

117 New Delhi House,  
27 Barakhamba Road,  
New Delhi- 110001

B.Bhushan & Co.  
Chartered Accountants  
Firm Registration No. 001596N  
By the hand of



*Kamal Ahluwalia*  
Kamal Ahluwalia  
Partner  
Membership No. 093812

May 16, 2011

**ROMANO TILES PRIVATE LIMITED**

**BALANCE SHEET AS AT MARCH 31, 2011**

	Schedules	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
<b>SOURCES OF FUNDS</b>			
Share capital	1	500,000	500,000
Unsecured loan	2	51,271,706	48,496,706
Deferred tax liability		1,334	2,038
		<u>51,773,040</u>	<u>48,998,744</u>
<b>APPLICATION OF FUNDS</b>			
Fixed assets	3		
Gross block		49,458,977	46,736,944
Less: Accumulated depreciation		24,022	20,332
Net block		<u>49,434,955</u>	<u>46,716,612</u>
Investments	4	55,000	55,000
Current assets, loans and advances			
Inventories	5	293,165	412,163
Sundry debtors	6	48,938	-
Cash and bank balance	7	470,393	642,470
Advances	8	183,905	157,798
		<u>996,401</u>	<u>1,212,431</u>
Less: Current liabilities & provisions	9	39,835	26,975
Net current assets		<u>956,566</u>	<u>1,185,456</u>
Miscellaneous expenditure (to the extent not written off or adjusted)	10	6,937	13,874
Profit and loss account		<u>1,319,582</u>	<u>1,027,802</u>
		<u>51,773,040</u>	<u>48,998,744</u>
<b>ACCOUNTING POLICIES</b>	15		
<b>NOTES TO ACCOUNTS</b>	16		

This is the Balance Sheet referred to in our report of even date addressed to the members of Romano Tiles Private Limited

The schedules referred above form an integral part of the Balance Sheet.

B.Bhushan & Co.  
Chartered Accountants  
By the hand of

*Kamal Ahluwalia*  
Kamal Ahluwalia  
Partner

Membership no. 093812  
May 16, 2011  
New Delhi



Directors

*Aman Sarin*  
Aman Sarin  
*Jayanti Sarin*  
Jayanti Sarin

ROMANO TILES PRIVATE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

	Schedules	For the year ended March 31, 2011 Rs.	For the year ended March 31, 2010 Rs.
<b>INCOME</b>			
Sales	11	54,700	-
Other income	12	36,253	41,509
		<u>90,953</u>	<u>41,509</u>
<b>EXPENDITURE</b>			
Increase/(decrease) in inventories	13	118,998	30,692
Administrative	14	252,219	241,394
Depreciation		3,690	5,812
Preliminary expenditure written off		6,937	6,937
		<u>381,844</u>	<u>284,835</u>
<b>Loss during the year</b>		<b>290,891</b>	<b>243,326</b>
Prior period items		1,593	-
<b>Loss before tax</b>		<b>292,484</b>	<b>243,326</b>
Provision for taxation			
- Current tax		-	-
- Deferred tax		(704)	(839)
<b>Loss after tax</b>		<b>291,780</b>	<b>242,487</b>
Loss brought forward from previous year		1,027,802	785,315
<b>Loss carried over to Balance Sheet</b>		<b>1,319,582</b>	<b>1,027,802</b>
<b>Earning per share (equity share, par value of Rs. 10 each)</b>			
- Basic and diluted earning per share		-5.84	-4.85

ACCOUNTING POLICIES

15

NOTES TO ACCOUNTS

16

This is the Profit and Loss Account referred to in our report of even date addressed to the members of Romano Tiles Private Limited

The schedules referred above form an integral part of the Profit and Loss Account.

B.Bhushan & Co.  
Chartered Accountants  
By the hand of

*Kamal Ahluwalia*  
Kamal Ahluwalia  
Partner  
Membership no. 093812  
May 16, 2011  
New Delhi



Directors

*Anand Sarin*  
Anand Sarin  
*Jayanti Sarin*  
Jayanti Sarin

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
<b>1 SHARE CAPITAL</b>		
Authorized		
100,000 (100,000) equity shares of Rs.10.00 (Rs. 10.00) each	<u>1,000,000</u>	<u>1,000,000</u>
Issued, subscribed and paid up		
*50,000 (*50,000) equity shares of Rs.10.00 (Rs. 10.00) each fully paid up	<u>500,000</u>	<u>500,000</u>
*80% equity shares are held by the holding company, Anant Raj Industries Limited, including 6 (6) shares registered in the name of nominees of the holding company and 20% equity shares are held by Excel Infotech Limited.		
<b>2 UNSECURED LOAN</b>		
From holding company	<u>51,271,706</u>	<u>48,496,706</u>
<b>4 INVESTMENTS</b>		
National saving certificate	<u>55,000</u>	<u>55,000</u>
<b>5 INVENTORIES</b>		
Finished goods	149,713	259,730
Packing material	143,452	152,433
	<u>293,165</u>	<u>412,163</u>
<b>6 SUNDRY DEBTORS</b>		
(Unsecured and considered good)		
Debts outstanding for a period exceeding six months	-	-
Other debts	48,938	-
	<u>48,938</u>	<u>-</u>
<b>7 CASH AND BANK BALANCES</b>		
Cash in hand	428	548
Balances maintained with scheduled bank		
- in current account	10,477	196,987
- in deposit account	459,488	444,935
	<u>470,393</u>	<u>642,470</u>
<b>8 ADVANCES</b>		
(Unsecured and considered good)		
Interest accrued	50,223	31,847
Security deposits	79,290	79,290
Tax deducted at source	3,324	4,717
Income tax refundable	51,068	41,944
	<u>183,905</u>	<u>157,798</u>
<b>9 CURRENT LIABILITIES &amp; PROVISIONS</b>		
Expenses payable	32,299	26,277
Others liabilities	7,536	698
	<u>39,835</u>	<u>26,975</u>



**ROMANO TILES PRIVATE LIMITED**

**3. FIXED ASSETS**

S. No.	Particulars	Gross Block			Depreciation			NET BLOCK		
		As at April 1, 2010 Rs.	Addition during the year Rs.	Sales during the year Rs.	As at March 31, 2011 Rs.	Upto March 31, 2010 Rs.	During the year Rs.	Upto March 31, 2011 Rs.	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
1	Land and site Development	46,704,244	2,722,033	-	49,426,277	-	-	-	49,426,277	46,704,244
2	Computer	26,200	-	-	26,200	18,649	3,020	21,669	4,531	7,551
3	Mobile	6,500	-	-	6,500	1,683	670	2,353	4,147	4,817
	<b>Total</b>	<b>46,736,944</b>	<b>2,722,033</b>	<b>-</b>	<b>49,458,977</b>	<b>20,332</b>	<b>3,690</b>	<b>24,022</b>	<b>49,434,955</b>	<b>46,716,612</b>
	Previous year	46,736,944	-	-	46,736,944	14,520	5,812	20,332	46,716,612	46,722,424



**ROMANO TILES PRIVATE LIMITED**  
**DEPRECIATION UNDER INCOME TAX ACT, 1961**

**A.Y. 2011-12**

S. No.	Particulars	WDV as on April 1, 2010 Rs.	Addition during the year		Sales during the year Rs.	Total Rs.	Depreciation		Total Depreciation Rs.	WDV as on March 31, 2011 Rs.
			More than 180 days Rs.	Less than 180 days Rs.			More than 180 days Rs.	Less than 180 days Rs.		
1	Land and site Development	46,704,244	2,722,033	-	-	49,426,277	-	-	-	49,426,277
2	Computer	1,677	-	-	-	1,677	1,006	-	1,006	671
3	Mobile	4,696	-	-	-	4,696	704	-	704	3,992
	<b>Total</b>	<b>46,710,617</b>	<b>2,722,033</b>	<b>-</b>	<b>-</b>	<b>49,432,650</b>	<b>1,711</b>	<b>-</b>	<b>1,711</b>	<b>49,430,939</b>

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

	For the year ended March Rs.	As at March 31, 2010 Rs.
<b>10 MISCELLANEOUS EXPENDITURE</b>		
(to the extent not written off or adjusted)		
Preliminary expenses	13,874	20,811
Less: Written off during the year	6,937	6,937
	<u>6,937</u>	<u>13,874</u>

**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT**

	For the year ended March 31, 2011 Rs.	For the year ended March 31, 2010 Rs.
<b>11 SALES</b>		
Domestic sales	<u>54,700</u>	<u>-</u>
<b>12 OTHER INCOME</b>		
Interest on fixed deposits	31,003	36,655
Interest on NSC	5,250	4,854
	<u>36,253</u>	<u>41,509</u>
<b>13 INCREASE / (DECREASE) IN INVENTORIES</b>		
<b>Ceramic Tiles</b>		
Opening	259,730	289,556
Closing	<u>149,713</u>	<u>259,730</u>
	(A) <u>(110,017)</u>	<u>(29,826)</u>
<b>Packing materials</b>		
Opening	152,433	153,299
Closing	<u>149,452</u>	<u>152,433</u>
	(B) <u>(8,980)</u>	<u>(866)</u>
Net increase/(decrease) in inventories	(A+B) <u>(118,998)</u>	<u>(30,692)</u>
<b>14 ADMINISTRATIVE EXPENSES</b>		
Audit fees	8,273	8,273
Salary	11,786	-
Legal & professional	7,078	1,538
Others	2,439	3,824
Staff welfare	6,441	6,735
Security	209,124	209,124
Travelling	7,078	11,900
	<u>252,219</u>	<u>241,394</u>





## 15 ACCOUNTING POLICIES

### A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and on going concern concept in accordance with applicable accounting standards in India and also in accordance with the requirements of the Companies Act, 1956.

### B. FIXED ASSETS

Fixed Assets are stated at cost including incidental expenses, less accumulated depreciation and impairment losses. Cost comprises the purchase price and any attributable cost incurred in bringing the asset to its working condition for its intended use.

### C. INVENTORIES

Trading materials are valued at cost or net realizable value whichever is lower, as per the First in First Out method.

### D. RECOGNITION OF REVENUE AND EXPENDITURE

Income and expenditure are accounted for on accrual basis.

### E. DEPRECIATION

Depreciation on fixed assets is charged on the written down value method at rates as specified in Schedule XIV of the Companies Act, 1956. Depreciation on the purchase of assets during the year has been provided on pro-rata basis according to the period, such assets was put to use during the year.

### F. INVESTMENTS

Investment in NSCs are stated at cost. Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investment and are stated at cost less provision for diminution in the value of such investment, if such diminution is of permanent nature.

### G. EARNINGS PER SHARE

The company reports basic and diluted earnings per share (EPS) in accordance with Accounting Standard -20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

### H. CASH FLOW STATEMENT

Cash flows are reported using indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

### I. MISCELLANEOUS EXPENDITURE

Miscellaneous Expenditure is amortized equally over a period of five years.



- |   | As at March<br>31, 2011<br>Rs. | As at March<br>31, 2010<br>Rs. |
|---|--------------------------------|--------------------------------|
| i) Fixed Deposit receipt pledged with Sales Tax Authorities | 348,036                        | 333,483                        |
- ii) The Company is carrying on the business of dealing in ceramic tiles and is in the process of implementing its plan to setup a ceramic tiles manufacturing plant in Gujarat on land allotted to the Company by Gujarat Industrial Development Corporation.
- iii) In the opinion of the management, the current assets, loans and advances, if realized in the ordinary course of business would yield a sum at least equal to that stated in the Balance Sheet.
- iv) In accordance with the provisions of Accounting Standard-22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has recognized deferred tax liability of Rs. 1,334 (Rs. 2,038) as at March 31, 2011.

	As at March 31, 2010 Rs.	As at March 31, 2011 Rs.	For the year Rs.
Deferred Tax Liability On Fixed Assets	2,038	1,334	(704)

The net deferred tax assets amounting to Rs. 704 (839) for the year has been adjusted from Profit and Loss Account.

- v) The earning considered in ascertaining the Company's EPS is the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The weighted diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period.

		For the year ended March 31, 2011	For the year ended March 31, 2010
Net profit/(loss) attributable to equity shareholder:	Rs.	(291,780)	(242,487)
Nominal value of equity share	Rs.	10	10
Weighted average number of equity shares outstanding during the year	No.	50,000	50,000
Basic and diluted earnings per share	Rs.	(5.84)	(4.85)

vi) **Related Party Disclosures**

Pursuant to Accounting Standard (AS18)-"Related Party Disclosure" issued by Institute of Chartered Accountants of India following parties are to be treated as related parties along with their relationships:

a) Name of related parties and description of relationships :

**Holding Company**

Anant Raj Industries Limited

**Fellow Subsidiaries**

Aarkarshak Realtors Pvt. Ltd.

Advance Buildcon Pvt. Ltd.

Anant Raj construction & Dev. Pvt. Ltd.

Jasmine Buildwell Pvt. Ltd.

Jubilant Software Services Pvt. Ltd.

Kalinga Buildtech Pvt. Ltd.



Anant Raj Hotels Ltd.  
Anant Raj Housing Ltd.  
Anant Raj Projects Ltd.  
Ankur Buildcon Pvt. Ltd.  
A-Plus Estates Pvt. Ltd.  
BBB Realty Pvt. Ltd.  
Blossom Buildtech Pvt. Ltd.  
Bolt Properties Pvt. Ltd.  
Capital Buildcon Pvt. Ltd.  
Capital Buildtech Pvt. Ltd.  
Carnation Buildtech Pvt. Ltd.  
CCC Realty Pvt. Ltd.  
Century Promoters Pvt. Ltd.  
Echo Buildtech Pvt. Ltd.  
Echo Properties Pvt. Ltd.  
Elegant Buildcon Pvt. Ltd.  
Elegant Estates Pvt. Ltd.  
Elevator Buildtech Pvt. Ltd.  
Elevator Promoters Pvt. Ltd.  
Elevator Properties Pvt. Ltd.  
Empire Promoters Pvt. Ltd.  
Excellent Inframart Pvt. Ltd.  
Fabulous Builders Pvt. Ltd.  
Four Construction Pvt. Ltd.  
Gadget Builders Pvt. Ltd.  
Gagan Buildtech Pvt. Ltd.  
Glaze Properties Pvt. Ltd.  
Good Luck Buildtech Pvt. Ltd.  
Grand Buildtech Pvt. Ltd.  
Grand Park Buildtech Pvt. Ltd.  
Grand Park Estates Pvt. Ltd.  
Greatway Estates Ltd.  
Greatways Buildtech Pvt. Ltd.  
Green Line Buildcon Pvt. Ltd.  
Green Line Promoters Pvt. Ltd.  
Green Retreat and Motels Pvt. Ltd.  
Green View Buildwell Pvt. Ltd.  
Green Way Promoters Pvt. Ltd.  
Green Wood Properties Pvt. Ltd.  
Gujarat Anant Raj Vidhyanagar Ltd.  
Hamara Realty Pvt. Ltd.  
High Land Meadows Pvt. Ltd.  
Hemkunt Promoters Pvt. Ltd.

Kalinga Realtors Pvt. Ltd.  
Krishna Buildtech Pvt. Ltd.  
Lucky Meadows Pvt. Ltd.  
Monarch Buildtech Pvt. Ltd.  
North South Properties Pvt. Ltd.  
Novel Buildmart Pvt. Ltd.  
Novel Housing Pvt. Ltd.  
One Star Realty Pvt. Ltd.  
Oriental Meadows Ltd.  
Oriental Promoters Pvt. Ltd.  
Papillon Buildcon Pvt. Ltd.  
Papillon Buildtech Pvt. Ltd.  
Park Land Const. & Equipment Pvt. Ltd.  
Parkland Developers Pvt. Ltd.  
Parkview Promoters Pvt. Ltd.  
Pasupati Aluminium Ltd.  
Pelikan Estates Pvt. Ltd.  
Pioneer Promoters Pvt. Ltd.  
Rapid Realtors Pvt. Ltd.  
Rising Realty Pvt. Ltd.  
Rolling Construction Pvt. Ltd.  
Romano Estate Pvt. Ltd.  
Romano Infrastructure Pvt. Ltd.  
Romano Projects Pvt. Ltd.  
Rose Realty Pvt. Ltd.  
Roseview Buildtech Pvt. Ltd.  
Roseview Properties Pvt. Ltd.  
Saffron View Properties Pvt. Ltd.  
Sand Storm Buildtech Pvt. Ltd.  
Sartaj Developers & Promoters Pvt. Ltd.  
Sovereign Buildwell Pvt. Ltd.  
Spring View Developers Pvt. Ltd.  
Spring view Properties Pvt. Ltd.  
Suburban Farms Pvt. Ltd.  
Three Star Realty Pvt. Ltd.  
Townsend Cons. & Equipments Pvt. Ltd.  
Tumhareliye Realty Pvt. Ltd.  
Twenty First Developers Pvt. Ltd.  
Vibrant Buildmart Pvt. Ltd.  
West Land Buildcon Pvt. Ltd.  
White Diamond Cons. & Equipment Pvt. Ltd.  
Woodland Promoters Pvt. Ltd.

**Partnership firm in which Holding company is partner**

Ganga Bishan & Company

**Key Management Personnel**

Aman Sarin

Jayanti Sarin

Anil Mahindra

Chairman

Director

Director

**Note:** The above parties have been identified by the management.



b) The Company has following transactions with the following related parties:

S. No.	Nature of Transactions	Related Party	For the year ended March 31, 2011 Rs.	For the year ended March 31, 2010 Rs.
2	Unsecured loans received from holding company	Anant Raj Industries Ltd.	2,775,000	-

c) Amount outstanding as at March 31, 2011:

S. No.	Account Head	Related Party	As at March 31, 2011 Rs.	As at March 31, 2010 Rs.
1	Share capital held by holding company	Anant Raj Industries Ltd.	400,000	400,000
2	Unsecured loans payable to holding company	Anant Raj Industries Ltd.	51,271,706	48,496,706

vii) Quantitative Details- Trading of Ceramic Tiles

	Current Year		Previous Year	
	Quantity (Boxes)	Value (Rs.)	Quantity (Boxes)	Value (Rs.)
Opening	2,277	259,729	2,566	289,556
Purchases during the year	-	-	-	-
Sales during the year	903	99,237	-	-
Damaged during the year	113	10,779	289	29,827
Closing	1,261	149,713	2,277	259,729

viii) Figures in brackets pertain to the previous year, unless otherwise indicated.

ix) Previous year figures have been regrouped/recast, where ever necessary to confirm with this year's presentation.



x) Additional information under Part IV of Schedule VI of the Companies Act, 1956:

I. Registration details

Registration No.	U26955DL2006PTC156831
State code	55
Balance Sheet Date	March 31, 2011

As at March  
31, 2011  
Rs. (in 000's)

II. Position of mobilization and deployment of funds

Total assets	51,773
Total liabilities	51,773
<b>Sources of funds</b>	
Paid up capital	500
Unsecured loan	51,272
Deferred tax liability	1
<b>Application of funds</b>	
Fixed assets	49,435
Investments	55
Net current assets	956
Miscellaneous expenditure	7
Profit and loss account	1,320

For the year  
ended March  
31, 2011  
Rs. (in 000's)

III. Performance of the Company

Turnover	91
Total expenditure	382
Loss before tax	291
Loss after tax	292
Earning per share (Rs.)	-5.84

Signatures to the above schedules  
which form an integral part of the  
Balance Sheet and Profit and Loss  
Account.



Directors  
Aman Sarin  
Jayanti Sarin  
Jayanti Sarin

New Delhi,  
May 16, 2011

**ROMANO TILES PRIVATE LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011**

	For the year ended March 31, 2011 Rs.	For the year ended March 31, 2010 Rs.
<b>A. CASH FLOW FROM OPERATIONS</b>		
Profit/(Loss) before tax and extraordinary Items	(290,891)	(243,326)
Depreciation	3,690	5,812
Interest received	(36,253)	(41,509)
Prior period items	(1,593)	-
Adjustments for miscellaneous expenditure	6,937	6,937
<b>Operating profit before working capital changes</b>	<b>(318,110)</b>	<b>(272,086)</b>
Adjustment for:		
- Trade and other receivable	(75,045)	(8,206)
- Inventories	118,998	30,692
- Sundry creditors and other payable	12,860	(16,411)
<b>Net cash from operating activities</b>	<b>(A) (261,297)</b>	<b>(266,011)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Addition to fixed assets	(2,722,033)	-
Interest received	36,253	41,509
<b>Net cash from Investing activities</b>	<b>(B) (2,685,780)</b>	<b>41,509</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/(Decrease) in unsecured loans	2,775,000	-
<b>Net cash from financing activities</b>	<b>(C) 2,775,000</b>	-
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(A+B+C) (172,077)</b>	<b>(224,502)</b>
Cash and cash equivalents - Opening balance	642,470	866,971
Cash and cash equivalents - Closing balance	470,393	642,470

**Note: Figures in brackets indicate cash outflow**

**Auditor's report**

We have examined the Cash Flow Statement of Romano Tiles Private Limited for the year ended March 31, 2011. The statement prepared by the Company is in accordance with the requirement of Clause 32 of the Listing Agreement with the Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet covered by our Report to the members of the Company in terms of our attached Report as of even date.

B.Bhushan & Co.

Chartered Accountants

By the hand of

*Kamal Ahluwalia*

Kamal Ahluwalia

Partner

Membership no. 093812

May 16, 2011

New Delhi



Directors

*Arnav Sarin*  
Arnav Sarin

*Jayanti Sarin*  
Jayanti Sarin