

## AUDITOR'S REPORT

To the members of  
Gujarat Anant Raj Vidhyanagar Limited

We have audited the attached Balance Sheet of Gujarat Anant Raj Vidhyanagar Limited as at March 31, 2011, and the 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) (Amendment) Order 2004, [Order] 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.

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) On the basis of written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2011 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 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:



- (i) In case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
- (ii) in the case of Profit and Loss Account, of the profit earned by the Company for the financial year ended on that date; and
- (iii) 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



*Vishwanand Keshri*  
Vishwanand Keshri  
Partner  
Membership No. 505508

May 10, 2011



**ANNEXURE TO AUDITORS' REPORT**  
(Annexure referred to in our report of even date)

- I. The Company does not own any fixed assets, accordingly, provisions of clauses (i)(a), (i)(b) and (i)(c) of the Order are not applicable to the Company.
- II. The Company does not own any inventory. Accordingly, provisions of clauses (ii) (a), (ii) (b) and (ii) (c) of paragraph 4 of the Companies (Auditors' Report) (Amendment) Order, 2004 are not applicable to the Company.
- III. The Company has neither granted nor taken any loans, secured or unsecured, to/ from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 and hence, provisions of clauses (iii) (a) to (g) of the Order are not applicable to the Company.
- IV. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in internal control systems.
- V. In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered into the register maintained under section 301 of the Companies Act, 1956. Hence, clauses (v) (a) and (v) (b) of paragraph 4 of the Companies (Auditors' Report) (Amendment) Order, 2004 are not applicable to the Company.
- VI. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder.
- VII. In our opinion, the Company has an internal control system commensurate with its size and nature of its business.
- VIII. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 in respect of activities carried out by the Company.
- IX.
  - a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been regular in depositing with appropriate authorities undisputed statutory dues including income tax, cess and other statutory dues applicable to it and no undisputed amounts payable were outstanding as at March 31, 2011 for a year of more than six months from the date they became payable.
  - b) According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty, excise



duty and cess that have not been deposited by the Company with appropriate authorities on account of dispute.

- X. The Company has accumulated losses at the end of the financial year and it has not incurred cash losses during the financial year covered by our audit but it has incurred cash losses in the immediately preceding financial year.
- XI. The Company has not taken any loan from any financial institution or bank and also has not issued any debentures. Accordingly, the provisions of clause 4(xi) of the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable to the Company.
- XII. The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable to the Company.
- XIII. The Company is not a chit fund or a nidhi mutual benefit fund/society. Accordingly, the provisions of clause 4(xiii) of the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable to the Company.
- XIV. The Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable to the Company.
- XV. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 4(xv) of the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable to the Company.
- XVI. The Company has not obtained any term loan. Accordingly, the provisions of clause 4(xvi) of the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable to the Company.
- XVII. According to the information and explanations given to us and on the basis of an overall examination of the Balance Sheet of the Company, we are of the opinion that the no funds raised on short term basis during the year have been used for long term investments.
- XVIII. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, provisions of clause 4(xviii) of the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable to the Company.
- XIX. The Company had not issued any debentures during the year. Accordingly, the provisions of clause 4(xix) of the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable to the Company.





- XX. The Company has not raised any money by way of public issue during the year. Accordingly, the provisions of clause 4(xx) of the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable to the Company.
- XXI. Based upon the audit procedures performed and according to the information and explanations to us, no fraud on or by the Company has been noticed or reported during the course of our audit, that causes the financial statements to be materially misstated.

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

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



*Vishwanand Keshri*  
Vishwanand Keshri  
Partner  
Membership No. 505508

May 10, 2011

**GUJARAT ANANT RAJ VIDHYANAGAR 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	<u>1,000,000</u>	<u>1,000,000</u>
<b>APPLICATION OF FUNDS</b>			
Current assets, loans and advances	2	743,805	720,432
Cash and bank balances	3	<u>11,762</u>	<u>5,780</u>
Advances		755,567	726,212
Less: Current liabilities and provision	4	<u>15,690</u>	<u>6,618</u>
Net current assets		<u>739,877</u>	<u>719,594</u>
 Miscellaneous expenditure (to the extent not written off or adjusted)	5	57,529	57,529
 Profit and loss account		<u>202,594</u>	<u>222,877</u>
		<u>1,000,000</u>	<u>1,000,000</u>
 <b>ACCOUNTING POLICIES</b>	6		
<b>NOTES TO ACCOUNTS</b>	7		

This is the Balance Sheet referred in our report of even date addressed to the members of Gujarat Anant Raj Vidhyanagar Limited.

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

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

*Vishwanand Keshri*

Vishwanand Keshri  
Partner  
Membership no. 505508  
May 10, 2011  
New Delhi



Directors

*Amit Sarin*  
Amit Sarin

*Aman Sarin*  
Aman Sarin

**GUJARAT ANANT RAJ VIDHYANAGAR LIMITED**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011**

	Schedules	For the year ended March 31, 2011 Rs.	For the period ended March 31, 2010 Rs.
<b>INCOME</b>		41,480	5,780
Interest income		<u>41,480</u>	<u>5,780</u>
<b>EXPENDITURE</b>			
Audit fees		6,618	6,618
Bank charges		1,550	550
Filing fees		1,200	3,300
Legal & professional		2,757	2,206
Printing and stationery		-	4,000
		<u>12,125</u>	<u>16,674</u>
<b>Profit/(Loss) during the year</b>		29,355	(10,894)
Provision for tax		(9,072)	-
<b>Profit/(Loss) after tax</b>		20,283	(10,894)
Profit/(Loss) brought forward from previous year		(222,877)	(211,983)
<b>Profit/(Loss) carried over to Balance Sheet</b>		<u>(202,594)</u>	<u>(222,877)</u>
<b>Earning per share [equity share, par value of Rs. 10 (Rs. 10) each]</b>			
Basic and diluted earning per shares		0.20	(0.11)

**ACCOUNTING POLICIES**  
**NOTES TO ACCOUNTS**

6  
7

This is the Profit and Loss Account referred in our report of even date addressed to the members of Gujarat Anant Raj Vidhyanagar Limited.

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

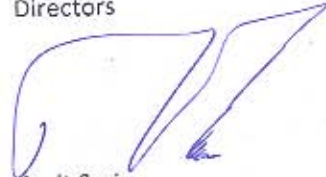
B. Bhushan & Co.  
Chartered Accountants  
By the hand of




Vishwanand Keshri  
Partner  
Membership no. 505508  
May 10, 2011  
New Delhi



Directors

  
Amit Sarin

  
Aman Sarin

SCHEDULES	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 (Rs. 10) each	<u>1,000,000</u>	<u>1,000,000</u>
Issued, subscribed and paid up *100,000 (*100,000) equity shares of Rs. 10 (Rs.10) each fully paid up	<u>1,000,000</u>	<u>1,000,000</u>
*Entire share capital is held by the holding company, Anant Raj Industries Limited, including 6 (6) shares registered in the name of the nominees of the holding company.		
<b>2. CASH AND BANK BALANCES</b>		
Cash in hand	700	700
Balance with scheduled bank		
- In current account	8,597	19,732
- In deposit account	<u>734,508</u>	<u>700,000</u>
	<u>743,805</u>	<u>720,432</u>
<b>3. ADVANCE</b>		
Accrued interest	3,463	5,780
Tax Dedected at source	8,299	-
	<u>11,762</u>	<u>5,780</u>
<b>4. CURRENT LIABILITIES</b>		
Provision for tax	9,072	-
Expenses payable	6,618	6,618
	<u>15,690</u>	<u>6,618</u>
<b>5. MISCELLANEOUS EXPENDITURE</b> (to the extent not written off or adjusted)		
Preliminary expenses	<u>57,529</u>	<u>57,529</u>





## 6. 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. RECOGNITION OF REVENUE AND EXPENDITURE

Income and expenditure are accounted for on accrual basis.

### C. 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.

### D. 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 ant-dilutive.

### E. MISCELLANEOUS EXPENDITURE

Preliminary expenditure has not been amortized as the Company is yet to commence business.



## 7. NOTES TO ACCOUNTS

- i) The Company proposes to undertake development of real estate project and it is identifying for suitable opportunity in this regard.
- ii) In the opinion of the management, the current assets and advances, if realized, in the ordinary course of business, would realize a sum equal to that stated in the Balance Sheet.
- iii) 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 attributable to equity shareholders	Rs.	20,283	(10,894)
Nominal value of equity share	Rs.	10	10
Weighted average number of equity shares outstanding during the year	No.	100,000	100,000
Basic and diluted earnings per share	Rs.	0.20	(0.11)

### iv) 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.	Jubilant Software Services Pvt. Ltd.
Advance Buildcon Pvt. Ltd.	Kalinga Buildtech Pvt. Ltd.
Anant Raj construction & Dev. Pvt. Ltd.	Kalinga Realtors Pvt. Ltd.
Anant Raj Hotels Ltd.	Krishna Buildtech Pvt. Ltd.
Anant Raj Housing Ltd.	Lucky Meadows Pvt. Ltd.
Anant Raj Projects Ltd.	Monarch Buildtech Pvt. Ltd.
Ankur Buildcon Pvt. Ltd.	North South Properties Pvt. Ltd.
A-Plus Estates Pvt. Ltd.	Novel Buildmart Pvt. Ltd.
BBB Realty Pvt. Ltd.	Novel Housing Pvt. Ltd.
Blossom Buildtech Pvt. Ltd.	One Star Realty Pvt. Ltd.
Bolt Properties Pvt. Ltd.	Oriental Meadows Ltd.
Capital Buildcon Pvt. Ltd.	Oriental Promoters Pvt. Ltd.
Capital Buildtech Pvt. Ltd.	Papillon Buildcon Pvt. Ltd.
Carnation Buildtech Pvt. Ltd.	Papillon Buildtech Pvt. Ltd.
CCC Realty Pvt. Ltd.	Park Land Const. & Equipment Pvt. Ltd.
Century Promoters Pvt. Ltd.	Parkland Developers Pvt. Ltd.
Echo Buildtech Pvt. Ltd.	Parkview Promoters Pvt. Ltd.
Echo Properties Pvt. Ltd.	Pasupati Aluminium Ltd.
Elegant Buildcon Pvt. Ltd.	Pelikan Estates 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.  
 Hamara Realty Pvt. Ltd.  
 High Land Meadows Pvt. Ltd.  
 Hemkunt Promoters Pvt. Ltd.  
 Jasmine Buildwell 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.  
 Romano Tiles 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**

Amit Sarin	Chairman & Director
Aman Sarin	Director
Saloni Sarin	Director

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

**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 period ended March 31, 2010 Rs.
2	Loans received from holding company	Anant Raj Industries Ltd.	-	300
3	Loans repaid to holding company	Anant Raj Industries Ltd.	-	27,875

**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.	1,000,000	1,000,000





- v) Figures in brackets relate to previous year, unless otherwise indicated.
- vi) Previous year figures or words have been regrouped or recast wherever necessary to conform with this year's presentation.
- vii) Additional information under Part IV of Schedule VI of the Companies Act, 1956:

<b>I. Registration details</b>		U80904DL2009PLC187987
Registration No.		55
State code		March 31, 2011
Balance Sheet Date		
		As at March 31, 2011 Rs. (in '000)
<b>II. Position of mobilization and deployment of funds</b>		
Total assets		1,000
Total liabilities		1,000
<b>Sources of funds</b>		
Paid up capital		1,000
<b>Application of funds</b>		
Net current assets		740
Miscellaneous expenditure		57
Profit and Loss Account		203
		For the year ended March 31, 2011 Rs. (in '000)
<b>III. Performance of the Company</b>		
Turnover		41
Total expenditure		12
Profit before tax		29
Profit after tax		20
Earning per share (Rs.)		0.20

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



Directors

Amit Sarin

Aman Sarin

New Delhi.  
May 10, 2011

**GUJARAT ANANT RAJ VIDHYANAGAR LIMITED**

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

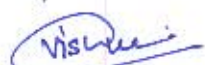
	For the year ended March 31, 2011 Rs.	For the period ended March 31, 2010 Rs.
<b>A. CASH FLOW FROM OPERATIONS</b>		
Profit/(Loss) after tax and extraordinary items	20,283	(10,894)
Interest received	(41,480)	(5,780)
<b>Operating profit before working capital changes</b>	<b>(21,197)</b>	<b>(16,674)</b>
Adjustment for:		
- Advance	(5,982)	(5,780)
- Current liabilities	9,072	(29,954)
<b>Net cash from operating activities</b>	<b>(A) (18,107)</b>	<b>(52,408)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest received	41,480	5,780
<b>Net cash from investing activities</b>	<b>(B) 41,480</b>	<b>5,780.00</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/(Decrease) in unsecured loans	-	(27,575)
<b>Net cash from financing activities</b>	<b>(C) -</b>	<b>(27,575)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(A+B+C) 23,373</b>	<b>(74,203)</b>
Cash and cash equivalents - Opening balance	720,432	794,635
Cash and cash equivalents - Closing balance	743,805	720,432

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

**Auditor's report**

We have examined the Cash Flow Statement of Gujarat Anant Raj Vidhyanagar 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



Vishwanand Keshri  
Partner  
Membership no. 505508  
May 10, 2011  
New Delhi



Directors

  
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