

A.K. Jindal & Associates
Chartered Accountants

201, Suchet Chambers, 1224/5, Naiwala, Bank Street, Karol Bagh, Delhi 110005, Tel : 28750239, 41548454

AUDITOR'S REPORT

To

The Members of Park Land Developers Private Limited

We have audited the attached Balance Sheet of Park Land Developers Private Limited as at March 31, 2011 and also the Profit & Loss Account and the Cash Flow Statement of the Company 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 auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain a reasonable assurance about whether the financial statements are free of material mis-statement. 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 the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

1. 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 paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to above, we report that :
 - (a). We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b). 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 the books.
 - (c). The Balance Sheet, the Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d). In our opinion, the Balance Sheet, the Profit and Loss account and Cash Flow statement dealt with by this report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.



(e). On the basis of representations received from the directors as on 31st March, 2011 and taken on record by the Board of Directors , we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies act, 1956;

(f). In our opinion, and to the best of our information and according to the explanations given to us, the said accounts read with significant accounting policies and 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:

- I] In the case of the Balance Sheet, of the state of affairs of the Company as at 31st march 2011; and
- II] In case of the Profit and Loss Account, of the profit of the company for the year ended on that date.
- III] In case of the Cash Flow Statement , of the cash flows of the company for the year ended on that date.

Place: Delhi
Dated: 05.05.2011



For A. K. Jindal & Associates
Chartered Accountants


(Ashok Gupta)
Partner

Annexure to the Auditor's Report of Park Land Developers Pvt Ltd for the year ended 31st March 2011

Referred to in paragraph 1 of our Report of even date ;

- 1 (a) The company has maintained proper records showing full particulars including quantitative details and situation of the Fixed assets.
 - (b) During the year the management has physically verified the fixed assets in the phased programme which, in our opinion is reasonable having regard to the size and nature of the company. Discrepancies noticed on such verification were not material and have been properly dealt with in books of accounts.
 - (c) During the year no part of the Fixed Assets was disposed off by the company.
- 2 As the Company does not carry any inventory the provisions of clause 4(ii) of the Order are not applicable.
- 3 (a) In our opinion and according to information and explanations given to us the company had taken unsecured loan from Directors /other parties who are covered in the register maintained under Section 301 of the Companies Act 1956. The maximum amount involved during the year was Rs. 201500000/- and year end balance of loans taken from such parties was 55700000/- The rate of interest and other terms and conditions of Loans taken by the company are prima facie not prejudicial to the interest Of the company. There is no overdue amount.
- (b) According to information and explanations given to us the company had granted loans to one companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs 25000000/- and year end balance from such parties was Rs NIL.
- 4 In our opinion and according to the information and explanation given to us, there are adequate internal control procedures, commensurate with the size of the company and the nature of its business .
- 5 Based on the audit procedure applied by us and according to the information and explanations provided by the management, we are of the opinion that all the transactions that need to be entered in the register in pursuance of Section 301 of



the Act have been so entered.

These transactions have been made at a prices which are reasonable having regard to the prevailing market prices at the relevant time.

- 6 The company has not accepted any deposits from the public during the year.
- 7 In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. The Central Government has not prescribed the maintenance of cost records by the company under section 209(1)(d) of the companies Act,1956.
- 9 According to information and explanations given to us, in respect of statutory dues and other dues :
 - (a) According to records examined by us the company is regular in depositing undisputed statutory dues . There is no arrear of any of the statutory dues at the last day of the financial year for a period of more than six months from the date they become payable.
 - (b) According to the information and explanation given to us , there are no undisputed amounts outstanding on 31-3-2011 in respect of sales tax/custom duty/wealth tax/excise duty/cess.
- 10 The company does not have accumulated losses at the end of the financial year . The company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- 11 Based on our audit procedure and on the information and explanation given by the management, the company has not taken any loan from any of the financial institution /bank or through debentures.
- 12 The company has not granted loans and advances , on the basis of security by way of pledge of shares, debentures and other securities.
- 13 The Company is not a chit fund, nidhi or mutual benefit fund/society. Therefore the provisions of clause 4(xiii) of the order are not applicable to the company.
- 14 On the basis of our examination it is reported that the company has maintained records of its dealing in other investments. These investments have been hold by the company in its own name.
- 15 According to records of the company and information and explanation provided by the management , the company has not given any guarantee for loans taken by others from banks or financial institutions.



- 16 The company has neither raised any term loan during the year nor any unutilized amount was left on this account,
- 17 According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that the funds raised on short term basis have not been utilized for long term investment and *vice-versa*.
- 18 The company had not made any preferential allotment of shares to the parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- 19 The Company did not issue any debentures during the year.
- 20 The company had not raised any money through a public issue during the year.
- 21 Based on the Audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

Place: New Delhi

For A K JINDAL & ASSOCIATES
Chartered Accountants

Dated:05/05/2011




(Ashok Gupta)
Partner

PARK LAND DEVELOPERS PVT. LTD.
E-2, Jhandewalan Extn, New Delhi
BALANCE SHEET AS AT MARCH 31, 2011

	<u>Schedule</u>	<u>As at March 31st 2011</u>	<u>As at March 31st 2010</u>
<u>SOURCES OF FUNDS</u>			
Share Capital	1	625,000.00	625,000.00
Reserve & Surplus	2	516,103,926.36	515,218,789.00
Unsecured Loan	3	55,700,000.00	-
		572,428,926.36	515,843,789.00
<u>APPLICATION OF FUNDS</u>			
<u>Fixed Assets</u>	9	33,223,667.50	33,223,667.50
<u>Capital Advance</u>		423,000,000.00	350,000,000.00
<u>Investment</u>	4	-	102,165,620.00
<u>Current Assets, Loans & Advances</u>			
Cash and bank balance	5	5,100,258.86	30,050,632.50
Loans & Advances	6	110,600,000.00	138,516.00
		115,700,258.86	30,189,148.50
Less: Current Liabilities & Provision	7	5,000.00	244,647.00
Net Current Assets		115,695,258.86	29,944,501.50
MISCELLANEOUS EXPENDITURE			
(To the extent not written off or adjusted)	8		
Preliminary Expenses		510,000.00	510,000.00
		572,428,926.36	515,843,789.00

NOTES TO ACCOUNTS

This is the Balance Sheet referred in our report of even date addressed to the members of Park Land Developers Private Limited

10

The Schedule referred above form an integral part of the Balance Sheet

For A.K. Jindal & Associates
Chartered Accountants

DIRECTORS

(Jayanti Sarin)

Place: New Delhi
Date: 05.05.2011


Ashok Gupta
(Partner)




(Suraj Parkash Sethi)

PARK LAND DEVELOPERS PVT. LTD.
E-2, Jhandewalan Extn, New Delhi
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31,2011

	<u>For the year Ended March 31,2011</u>	<u>For the year Ended March 31,2010</u>
<u>INCOME</u>		
Interest Received on FDR	-	754,444.00
Dividend Received	893,265.36	14,129,923.40
Other Income	-	7,793.74
	<u>893,265.36</u>	<u>14,892,161.14</u>
<u>EXPENDITURE</u>		
Filing Charges	1,200.00	2,112.00
Bank Charges	1,100.00	650.00
Legal & Professional	828.00	466.00
Auditor's Remuneration		
Audit Fee	5,000.00	5,000.00
	<u>8,128.00</u>	<u>8,228.00</u>
Net Profit before provision of Tax	885,137.36	14,883,933.14
Less: Income Tax Earlier Year	-	5,530.00
Less: Provision for Tax	-	239,647.00
Profit after Tax	<u>885,137.36</u>	<u>14,638,756.14</u>
Profit/Loss Brought forward from earlier Years	<u>15,343,789.00</u>	<u>705,032.86</u>
Balance Carried to Profit & Loss A/c in the Balance Sheet	<u>16,228,926.36</u>	<u>15,343,789.00</u>

NOTES TO ACCOUNTS

10

This is the Balance Sheet referred in our report of even date addressed to the members of Park Land Developers Private Limited

The Schedule referred above form an integral part of the Profit & Loss A/c

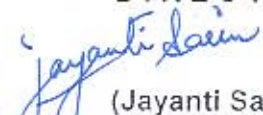
For A.K. Jindal & Associates
Chartered Accountants

DIRECTORS

Place: New Delhi
Date:05.05.2011


Ashok Gupta
(Partner)




(Jayanti Sarin)


(Suraj Parkash Sethi)

SCHEDULE

	31.03.2011 <u>Rupees</u>	31.03.2010 <u>Rupees</u>
1 <u>SHARE CAPITAL</u>		
Authorised 10000 Equity Shares of Rs.100 each	<u>1,000,000.00</u>	<u>1,000,000.00</u>
Issued,Subscribed & Paid up 6250 Equity Shares of Rs.100/- each fully Paid up (Out of which 5000 Equity Shares of Rs. 100/- each fully paid up held by the holding company Anant Raj Industries Ltd. and its nominees)	<u>625,000.00</u>	<u>625,000.00</u>
2 <u>RESERVE & SURPLUS</u>		
Share Premium	499,875,000.00	499,875,000.00
Profit & Loss Account	<u>16,228,926.36</u>	<u>15,343,789.00</u>
	<u>516,103,926.36</u>	<u>515,218,789.00</u>
3 <u>UNSECURED LOAN</u>		
From Holding Company	<u>55,700,000.00</u>	<u>-</u>
4 <u>INVESTMENT(IN MUTUAL FUND)</u>		
Of Reliance Money Manager Fund No. of units 102049.639 of Rs. 1001.1365	<u>-</u>	<u>102,165,620.00</u>
5 <u>CASH AND BANK BALANCES</u>		
Cash in Hand	26,507.00	27,107.00
Bank balance in current account with State Bank of India	<u>5,073,751.86</u>	<u>30,023,525.50</u>
	<u>5,100,258.86</u>	<u>30,050,632.50</u>
6 <u>LOANS & ADVANCES</u>		
TDS	-	138,516.00
Advance for which Value to be Received in Cash or in Kind	110,600,000.00	-
	<u>110,600,000.00</u>	<u>138,516.00</u>
7 <u>CURRENT LIABILITIES</u>		
Expenses Payable	5,000.00	5,000.00
Provision for Income Tax A.Y. 2010-11	-	239,647.00
	<u>5,000.00</u>	<u>244,647.00</u>
8 <u>MISCELLANEOUS EXPENDITURE</u> (to the extent not written off or adjusted) Preliminary Expenses	<u>510,000.00</u>	<u>510,000.00</u>
9 <u>FIXED ASSETS</u>		
Land	<u>33,223,667.50</u>	<u>33,223,667.50</u>
	<u>33,223,667.50</u>	<u>33,223,667.50</u>



Park Land Developers Pvt. Ltd.

10 Notes to Accounts

Accounting Policies and Notes on accounts

(A) Significant Accounting Policies

1 Conventions

The Accounts have been prepared Primarily under the historical Cost Convention and on the accrual basis of accounting

2 Fixed Assets

Fixed assets are stated at cost including duties, taxes and all other incidental expenses to bring the assets to its intended purposes .

(B) Notes Forming part of accounts:

1 In the opinion of the management, the current assets if realised during the Course of business would yield a sum atleast equal to that stated in the Balance Sheet.

2 The company is a subsidiary Company of M/s. Ananat Raj Industries Ltd. since 5000 Equity Shares of Rs. 100/-each fully paid up are held by them. (Out of total No. of 6250 Equity Shares fully paid up of Rs. 100/- each)

Share holding pattern

<u>S N.</u>	<u>Name of the Company</u>	<u>% holding</u>
1	Anant Raj Industries Ltd	80
2	Nilgiri infrastructure Development Ltd.	20

3 Related Party Disclosures

i. Name of related parties and description of relationship:

1. Holding Company	Anant Raj Industries Ltd.
2. Associates Company	Anant Raj Agencies Pvt. Ltd. Rapid Estates Pvt.Ltd.

ii. Transactions with related parties

Particulars	Holding Company Rs.	Associates Company Rs.
Loan Received	201500000 (P.Y. NIL)	25000000 (P.Y. 30000000)
Loan Repaid	145800000 (P.Y. 32750000)	25000000 (P.Y. 30000000)

iii Closing Balances with related parties:

Particulars	Holding Company Rs.	Associates Company Rs.
Loan	Rs. 55700000 (P.Y. NIL)	NIL(PY NIL)

4 Segment Reporting

The company has no reportable Business or Geographical segment

5 Earning per Shares

Particulars	2010-2011	2009-2010



Profit attributable in the Shareholders	(A)	885137.36	14638756.14
Basic/Weighted average number of Equity Shares outstanding during the year	(B)	6250	6250
Nominal Value of Equity Shares		100	100
Basic Diluted Earnings per Shares	(A/B)	141.62	2342.2

6 Previous year figures have been regrouped wherever found necessary .

7 Signature to the above Schedules which form an integral Part of the Balance Sheet and Profit & Loss Account.

Place : Delhi
Dated:05.05.2011

DIRECTORS

Jayanti Sarin
(Jayanti Sarin)

Suraj Parkash Sethi
(Suraj Parkash Sethi)



PARK LAND DEVELOPERS PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

Particulars	For the year ended March 31, 2011 Rs.	For the year ended March 31, 2010 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extraordinary items	885,137	14,883,933
Adjustment for:		
Depreciation	-	-
Misc Expenditures incurred	-	-
Interest paid	-	(7,794)
Other Income	-	(14,129,923)
Dividend Received	(893,265)	(754,444)
Interest received	-	(8,228)
Operating profit before working capital changes	(8,128)	(8,228)
Adjustment for:		
Inventories	-	(500,000)
Sundry creditors and other payables	-	(350,000,000.00)
Trade and other receivables	(183,600,000.00)	-
Cash generated from operations	(183,608,128)	(350,508,228)
Taxes Paid Including TDS	101,131	212,776
NET CASH FROM OPERATING ACTIVITIES	(A) (183,709,259)	(350,721,004)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions to fixed assets including project in progress	-	-
Investment made	102,165,620	397,912,283
Other income	-	7,794
Dividend Received	893,265	14,129,923
Interest received	-	754,444
NET CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES	(B) 103,058,885	412,804,444
C. CASH FLOW FROM FINANCE ACTIVITIES		
Proceeds from issue of Share Capital	-	-
Proceeds from Share Premium on issue of share	-	-
Increase in unsecured loans	55,700,000	(32,750,000)
Interest paid	-	-
NET CASH FLOW FROM/(USED IN) FINANCE ACTIVITIES	(C) 55,700,000	(32,750,000)
D. NET INCREASE IN CASH AND CASH EQUIVALENTS	(A+B+C) (24,950,374)	29,333,440
Cash and cash equivalents opening balance	30,050,633	717,193
Cash and cash equivalents closing balance	5,100,259	30,050,633

Note: Figures in brackets indicate cash outflow.

This is the cash flow statement referred to in our report of even date

For A K Jindal & Associates
Chartered Accountants


Ashok Gupta
Partner



Place New Delhi.
Date 05/05/2011


Director

Director