

## AUDITOR'S REPORT

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To the members of  
**Anant Raj Hotels Limited**

We have audited the attached Balance Sheet of Anant Raj Hotels Limited as at March 31, 2012, and the related Statement of Profit and Loss and 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, 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) 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.
- iii) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- iv) In our opinion, the Balance Sheet, Statement of Profit and Loss 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, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

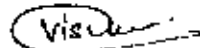


vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with accounting policies and notes thereto, give the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
- b) in the case of Statement of Profit and Loss, of the loss incurred by the Company for the year ended on that date; and
- c) in the case of Cash Flow Statement, of the cash flows of the Company for the 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  
Partner

Membership No. 505508

May 09, 2012



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

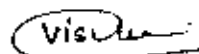
- I. The Company does not own any fixed assets. Accordingly, provisions of clauses (i)(a), (i)(b) and (i)(c) of paragraph 4 of the Order are not applicable to the Company.
- II. The Company does not own any inventory. Accordingly, provisions of clauses (ii)(a), (ii)(b) and (ii)(c) of paragraph 4 of the Order 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.
- 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 Order 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, 2012 for a period 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 earned cash profit in the financial year covered by our audit but had 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.
- 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.
- XIII. The Company is not a chit fund or a nidhi mutual benefit fund/society.
- XIV. The Company is not dealing or trading in shares, securities, debentures and other investments.
- 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.
- XVI. The Company has not obtained any term loan during the year.
- 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.
- XIX. The Company had not issued any debentures during the year.
- XX. The Company has not raised any money by way of public issue during the year.
- 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  
Partner  
Membership No. 505508

May 09, 2012



## ANANT RAJ HOTELS LIMITED

## BALANCE SHEET AS AT MARCH 31, 2012

	Notes	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' fund</b>			
a) Share capital	2	500,000	500,000
b) Reserves and surplus	3	(185,759)	(12,610)
		<u>314,241</u>	<u>487,390</u>
<b>Current liabilities</b>			
a) Other current liabilities	4	8,427	6,618
b) Short term provision	5	2,200	
		<u>10,627</u>	<u>6,618</u>
	<b>TOTAL</b>	<u><b>324,868</b></u>	<u><b>494,008</b></u>
<b>II. ASSETS</b>			
<b>Current assets</b>			
a) Cash and bank balances	6	319,091	310,402
b) Other current assets	7	5,777	183,606
	<b>TOTAL</b>	<u><b>324,868</b></u>	<u><b>494,008</b></u>

**SIGNIFICANT ACCOUNTING POLICIES**

1

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

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

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

Directors

Vishwanand Keshri

Vishwanand Keshri

Partner

Membership No. 505508

May 09, 2012

New Delhi

Anant Raj

Anil Mahindra

Anil Mahindra



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

	Notes	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
<b>I INCOMES</b>			
Other income	8	21,146	15,900
<b>Total revenue</b>		<u>21,146</u>	<u>15,900</u>
<b>II EXPENSES</b>			
Other expenses	9	192,095	19,958
<b>Total expense</b>		<u>192,095</u>	<u>19,958</u>
<b>III Profit/(Loss) before tax (I - II)</b>		<b>(170,949)</b>	<b>(4,058)</b>
<b>IV Tax expense</b>			
Current tax		2,200	-
<b>V Profit/(Loss) for the year from continuing operations (III - IV)</b>		<u><b>(173,149)</b></u>	<u><b>(4,058)</b></u>
<b>VI Earnings per share [equity share, par value of Rs. 10 (Rs. 10) each]</b>			
1) Basic		(3.46)	(0.08)
2) Diluted		(3.46)	(0.08)

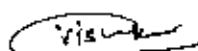
## SIGNIFICANT ACCOUNTING POLICIES

1

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

The notes referred above form an integral part of the Statement of Profit and Loss.

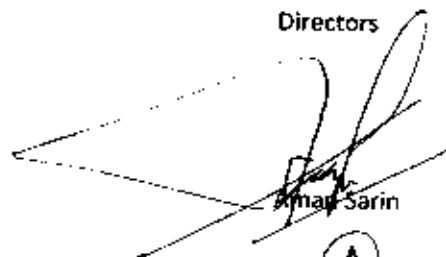
B. Bhushan & Co.  
Chartered Accountants  
By the hand of



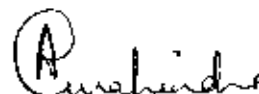
Vishwanand Keshri  
Partner  
Membership No. 505508  
May 09, 2012  
New Delhi



Directors



Anil Mahindra



Anil Mahindra

**1 SIGNIFICANT ACCOUNTING POLICIES**

**a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the Company have been prepared in accordance with the Indian Generally Accepted Accounting Principles ("Indian GAAP"). The Company has prepared these financial statements to comply in all material aspects with the accounting standard notified under the Companies (Accounting Standard) Rules, 2006 as amended and the relevant provision of the Companies Act, 1956. The financial statement have been prepared under the historical cost convention and on accrual basis.

The accounting policies adopted in the preparation and presentation of financial statements are consistent with those of previous year. The management evaluates all recently issued or revised accounting standards on a ongoing basis.

During the year ended March 31, 2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the Company, for preparation and presentation of its financial statement. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified previous year figures in accordance with the requirements applicable in the current year.

**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 anti-dilutive.

**e) CASH AND CASH EQUIVALENTS**

In the Cash Flow Statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short term highly liquid investments with original maturity of three months or less.

	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
<b>2 SHARE CAPITAL</b>		
<b>Authorized</b>		
1,000,000(1,000,000) equity shares of Rs. 10 (Rs.10) each	10,000,000	10,000,000
<b>Issued, subscribed, and fully paid up</b>		
50,000 (50,000) equity shares of Rs. 10 (Rs.10) each fully paid up	500,000	500,000

a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2012		As at March 31, 2011	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Number of shares outstanding at the beginning of the year	50,000	500,000	50,000	500,000
Number of shares outstanding at the end of the year	50,000	500,000	50,000	500,000

b) Terms/rights attached to equity shares

The Company has only one class of equity share having a par value of Rs. 10 per share. Each shareholder of equity shares is entitled to one vote per share. The Company declares and pays dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by each shareholders.

c) Shares held by holding Company, Anant Raj Industries Ltd.

*50,000 (*50,000) equity shares of Rs. 10 (Rs.10) each fully paid up	500,000	500,000
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\*Includes 6 (6) equity shares held by nominees of the holding company, Anant Raj Industries Ltd.

d) Details of shareholders holding more than 5% shares in the company

	As at March 31, 2012		As at March 31, 2011	
	Number	% holding	Number	% holding
Equity Shares of Rs. 10 (Rs.10) each fully paid up				
- Anant Raj Industries Limited	50,000	100%	50,000	100%

**3 RESERVES AND SURPLUS**

- a) Profit and Loss Account  
Opening balance  
Addition during the year

(12,610)	(8,552)
(173,149)	(4,058)
(185,759)	(12,610)

**4 OTHER CURRENT LIABILITIES**

- a) Other payables  
Expenses payable

8,427	6,618
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	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
<b>5 SHORT TERM PROVISION</b>		
a) Provision for income tax	2,200	-
<b>6 CASH AND BANK BALANCES</b>		
a) Cash and cash equivalents		
i) Balance with bank in current account	11,917	22,477
ii) Cash on hand	30	30
	<u>11,947</u>	<u>22,507</u>
b) Other bank balances		
i) Deposits with original maturity of more than 3 months but less than 12 months	307,144	287,895
	<u>319,091</u>	<u>310,402</u>
<b>7 OTHER CURRENT ASSETS</b>		
a) Unamortised expenditure		
Opening balance	178,066	178,066
Less: Written off during the year	178,066	-
	-	178,066
b) Interest accrued	3,668	3,959
c) Income tax receivable	2,109	1,581
	<u>5,777</u>	<u>183,606</u>
	<b>For the year ended March 31, 2012</b>	<b>For the year ended March 31, 2011</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>8 OTHER INCOMES</b>		
a) Interest income	21,067	15,800
b) Other income	79	100
	<u>21,146</u>	<u>15,900</u>
<b>9 OTHER EXPENSES</b>		
a) Payment to auditors as audit fees	8,427	6,618
b) Filing fee	1,500	7,000
c) Legal and professional	3,552	5,790
d) Bank charges	550	550
e) Unamortised expenditure written off	178,066	-
	<u>192,095</u>	<u>19,958</u>

10 The Company proposes to undertake development of hotel project and is identifying for suitable opportunities in this regard.

11 In the opinion of the management, the current assets, if realized, in the ordinary course of business, would realize a sum at least equal to that stated in the Balance Sheet.



- 12 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.

Particulars		For the year ended March 31, 2012	For the year ended March 31, 2011
Profit/(Loss) attributable to equity shareholders	Rs.	(173,149)	(4,058)
Nominal value of equity share	Rs.	10	10
Weighted average number of equity shares outstanding	No.	50,000	50,000
Basic and diluted earnings per share	Rs.	(3.46)	(0.08)

### 13 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

Aakashganga Realty Pvt. Ltd.	Jasmine Buildwell Pvt. Ltd.
Aarkarshak Realators Pvt. Ltd.	Jubilant Software Services Pvt. Ltd.
Advance Buildcon Pvt. Ltd.	Kalinga Buildtech Pvt. Ltd.
Anant Raj Cons. & Development Pvt. Ltd.	Kalinga Realtors Pvt. Ltd.
Anant Raj Housing Ltd.	Krishna Buildtech Pvt. Ltd.
Anant Raj Projects Ltd.	Lucky Meadows Pvt. Ltd.
Ankur Buildcon Pvt. Ltd.	Monarch Buildtech Pvt. Ltd.
A-Plus Estates Pvt. Ltd.	North South Properties Pvt. Ltd.
BBB Realty Pvt. Ltd.	Novel Buildmart Pvt. Ltd.
Blossom Buildtech Pvt. Ltd.	Novel Housing Pvt. Ltd.
Bolt Properties Pvt. Ltd.	One Star Realty Pvt. Ltd.
Capital Buildcon Pvt. Ltd.	Oriental Meadows Ltd.
Capital Buildtech Pvt. Ltd.	Oriental Promoters Pvt. Ltd.
Carnation Buildtech Pvt. Ltd.	Papillon Buildcon Pvt. Ltd.
CCC Realty Pvt. Ltd.	Papillon Buildtech Pvt. Ltd.
Century Promoters Pvt. Ltd.	Park Land Const. & Equipment Pvt. Ltd.
Echo Buildtech Pvt. Ltd.	Parkland Developers Pvt. Ltd.
Echo Properties Pvt. Ltd.	Parkview Promoters Pvt. Ltd.
Elegant Buildcon Pvt. Ltd.	Pasupati Aluminium Ltd.
Elegant Estates Pvt. Ltd.	Pelikan Estates Pvt. Ltd.
Elevator Buildtech Pvt. Ltd.	Pioneer Promoters Pvt. Ltd.
Elevator Promoters Pvt. Ltd.	Rapid Realtors Pvt. Ltd.
Elevator Properties Pvt. Ltd.	Red Sea Realty Pvt. Ltd.
Empire Promoters Pvt. Ltd.	Rising Realty Pvt. Ltd.
Excellent Inframart Pvt. Ltd.	Rolling Construction Pvt. Ltd.
Fabulous Builders Pvt. Ltd.	Romano Estate Pvt. Ltd.
Four Construction Pvt. Ltd.	Romano Infrastructure Pvt. Ltd.
Gadget Builders Pvt. Ltd.	Romano Projects Pvt. Ltd.
Gagan Buildtech Pvt. Ltd.	Romano Tiles Pvt. Ltd.



Glaze Properties Pvt. Ltd.	Rose Realty Pvt. Ltd.
Good Luck Buildtech Pvt. Ltd.	Roseview Buildtech Pvt. Ltd.
Grand Buildtech Pvt. Ltd.	Roseview Properties Pvt. Ltd.
Grand Park Buildtech Pvt. Ltd.	Saffron View Properties Pvt. Ltd.
Grand Park Estates Pvt. Ltd.	Sand Storm Buildtech Pvt. Ltd.
Greatway Estates Ltd.	Sartaj Developers & Promoters Pvt. Ltd.
Greatways Buildtech Pvt. Ltd.	Sovereign Buildwell Pvt. Ltd.
Green Line Buildcon Pvt. Ltd.	Spring View Developers Pvt. Ltd.
Green Line Promoters Pvt. Ltd.	Spring view Properties Pvt. Ltd.
Green Retreat and Motels Pvt. Ltd.	Suburban Farms Pvt. Ltd.
Green View Buildwell Pvt. Ltd.	Three Star Realty Pvt. Ltd.
Green Way Promoters Pvt. Ltd.	Townsend Cons. & Equipments Pvt. Ltd.
Green Wood Properties Pvt. Ltd.	Tumhareliye Realty Pvt. Ltd.
Gujarat Anant Raj Vidhyanagar Ltd.	Twenty First Developers Pvt. Ltd.
Hamara Realty Pvt. Ltd.	Vibrant Buildmart Pvt. Ltd.
Hemkunt Promoters Pvt. Ltd.	West Land Buildcon Pvt. Ltd.
High Land Meadows Pvt. Ltd.	Woodland Promoters Pvt. Ltd.

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

Ganga Bishan &amp; Company

**Key management Personnel**

Aman Sarin	Chairman
Jayantl Sarin	Director
Anil Mahindra	Director

Note: The related party relationship is as identified by the management.

b) There is no transaction entered by the company with any of the related parties during the year.

c) Amount outstanding as at March 31, 2012:

Sl. No.	Account Head	Related Party	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
1	Share Capital held by holding company	Anant Raj Industries Ltd.	500,000	500,000

14 Previous year figures have been regrouped or recast, where ever necessary to confirm with this year's presentation.

15 Figures in brackets pertain to previous year, unless otherwise indicated.

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

Directors)

Aman Sarin

Anil Mahindra

May 09, 2012  
New Delhi



## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

		For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
<b>A. CASH FLOW FROM OPERATIONS</b>			
Profit/(Loss) before tax from continuing operation		(170,949)	(4,058)
Interest received		(21,067)	(15,800)
Unamortised expenditure written off		178,066	-
<b>Adjustment for working capital changes:</b>			
- Decrease/(Increase) in other current assets		1,872	(1,702)
- Increase/(Decrease) in other current liabilities		1,809	-
<b>Cash generated from operations</b>		<b>(10,269)</b>	<b>(21,560)</b>
Tax paid during the year		(2,109)	(1,657)
<b>Net cash from operating activities</b>	<b>(A)</b>	<b>(12,378)</b>	<b>(23,217)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Investment in bank deposits (having original maturity of more than 3 months)		(19,249)	(12,517)
Interest received		21,067	15,800
<b>Net cash from operating activities</b>	<b>(B)</b>	<b>1,818</b>	<b>3,283</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
	<b>(C)</b>	-	-
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(A+B+C)</b>	<b>(10,560)</b>	<b>(19,934)</b>
Cash and cash equivalents - Opening balance		22,507	42,441
Cash and cash equivalents - Closing balance		11,947	22,507

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

This is the Cash Flow Statement referred to in our report of even date attached.

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

*Vishwanand Keshri*

Vishwanand Keshri  
Partner  
Membership No. 505508  
May 09, 2012  
New Delhi



Directors

*Anil Mahindra*  
Anil Mahindra

Anil Mahindra