

## AUDITOR'S REPORT

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To the members of  
**Fabulous Builders Private Limited**

We have audited the attached Balance Sheet of Fabulous Builders Private Limited as at March 31, 2012, and the related Statement of Profit and Loss 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.

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, does not apply to the Company in terms of section 1(2)(iv) 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) 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.

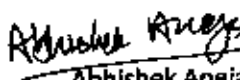


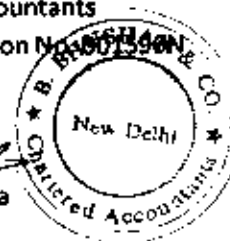
vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with notes and accounting policies thereto, give the information required by the Companies Act, 1956, in the manner so required and gives a true and fair view in conformity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

- a) In case of the Balance Sheet, of the statement of affairs of the Company as at March 31, 2012;
- b) In the case of Statement of Profit and Loss, of the expenditure 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. 520224  
By the hand of

  
Abhishek Aneja  
Partner



Membership No. 520224

May 24, 2012

FABULOUS BUILDERS PRIVATE 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	(4,738)	(4,738)
		<u>495,262</u>	<u>495,262</u>
<b>Non current liabilities</b>			
a) Long term borrowings	4	56,942,000	56,142,000
<b>Current liabilities</b>			
a) Other current liabilities	5	42,381	113,273
		<u>57,479,643</u>	<u>56,750,535</u>
<b>TOTAL</b>			
<b>II. ASSETS</b>			
<b>Non current assets</b>			
a) Fixed assets			
i) Tangible assets	6	53,775,676	53,775,676
ii) Capital work in progress	7	3,087,323	2,395,705
b) Long term loans and advances	8	516,498	516,498
		<u>57,379,497</u>	<u>56,687,879</u>
<b>Current assets</b>			
a) Cash and cash equivalents	9	100,146	52,746
b) Other current assets	10	-	9,910
		<u>100,146</u>	<u>62,656</u>
		<u>57,479,643</u>	<u>56,750,535</u>
<b>TOTAL</b>			

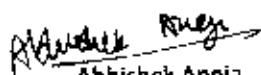
**SIGNIFICANT ACCOUNTING POLICIES**

1

This is the Balance Sheet referred in our report of even date addressed to the members of Fabulous Builders Private Limited.

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

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

  
Abhishek Aneja

Partner  
Membership no. 520224  
May 24, 2012  
New Delhi



Directors

  
Sharda Sarin

  
Anil Mahindra

FABULOUS BUILDERS PRIVATE LIMITED

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.
I INCOME		-	-
II EXPENSES			
Other expenses	11	295,032	57,090
Expenses incurred during the year transferred to preoperative expenditures pending capitalisation		295,032	57,090
Total expenses		-	-
III Profit before tax (I - II)		-	-
IV Tax expense		-	-
V Profit for the year from continuing operations (III - IV)		-	-

SIGNIFICANT ACCOUNTING POLICIES

1

This is the Statement of Profit and Loss referred in our report of even date addressed to the members of Fabulous Builders Private 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

*Abhishek Anuja*  
Abhishek Anuja  
Partner

Membership no. 520224  
May 24, 2012  
New Delhi



Directors

*Sharda Sarin*  
Sharda Sarin

*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) TANGIBLE ASSETS AND CAPITAL WORK IN PROGRESS**

Tangible assets are accounted for at cost of acquisition including directly attributable costs incurred for purchase of the assets and putting the same to use.

Capital work-in-progress comprises construction work-in-progress, direct expenditure and the cost of fixed assets that are not yet ready for their intended use at the balance sheet date.

**d) IMPAIRMENT OF ASSETS**

Consideration is given at each Balance Sheet to determine whether there is any indication of impairment of the carrying amount of the Company's tangible assets. If any indication exists, the recoverable value of assets is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount, the latter being greater of net selling price and value in use.

**e) 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.

**f) 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.



**FABULOUS BUILDERS PRIVATE LIMITED**
**Notes to financial statement for the year ended March 31, 2012**

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

	(4,738)	(4,738)
	-	-
	(4,738)	(4,738)



	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
<b>4 LONG TERM BORROWINGS</b>		
<b>(Unsecured)</b>		
a) Loan from related party	56,942,000	56,142,000
<p>Loan from related party represents non interest bearing unsecured loan obtained from holding company utilised for meeting development costs of a real estate project currently under development, which loan is repayable on divestment of the said project. There is no repayment of principal or payment of interest due by the Company as at the year end.</p>		
<b>5 OTHER CURRENT LIABILITIES</b>		
a) Other payables		
i) Creditors for capital work	33,424	8,648
ii) Expenses payable	8,427	6,618
iii) Retention money	-	96,853
iv) Statutory dues payable	530	1,154
	<u>42,381</u>	<u>113,273</u>
<b>6 TANGIBLE ASSETS</b>		
a) Land	<u>53,775,676</u>	<u>53,775,676</u>
<b>7 CAPITAL WORK IN PROGRESS</b>		
a) Preoperative expenditure pending capitalisation		
Opening balance	87,972	30,882
Additions during the year	295,032	57,090
	<u>383,004</u>	<u>87,972</u>
b) Construction work		
Opening balance	2,307,733	129,655
Additions during the year	396,586	2,178,078
	<u>2,704,319</u>	<u>2,307,733</u>
	<b>(a+b)</b>	
	<u>3,087,323</u>	<u>2,395,705</u>
<b>8 LONG TERM LOANS AND ADVANCES</b>		
<b>(Unsecured, considered good)</b>		
a) Security deposit with government authorities	<u>516,498</u>	<u>516,498</u>
<b>9 CASH AND CASH EQUIVALENTS</b>		
a) Balance with bank		
- In Current account	97,413	49,893
	2,733	2,853
b) Cash on hand	<u>100,146</u>	<u>52,746</u>
<b>10 OTHER CURRENT ASSETS</b>		
a) Unamortised expenditure		
Opening balance	9,910	9,910
Less: Written off during the year	9,910	-
	<u>-</u>	<u>9,910</u>



**FABULOUS BUILDERS PRIVATE LIMITED**

Notes to financial 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>11 OTHER EXPENSES</b>		
a) Payment to auditors as audit fees	8,427	6,618
b) Filing fee	1,332	690
c) Legal and professional	6,343	827
d) Security charges	268,453	48,342
e) Interest paid	17	-
f) Bank charges	550	613
g) Unamortised expenditure written off	9,910	-
	<u>295,032</u>	<u>57,090</u>

12 The Company had acquired land for the development of IT Park at Jaipur. Expenses incurred during the year considered to enhance the value of the development project, have been transferred to 'Preoperative Expenditure Pending Capitalization' to constitute cost of respective project and will be apportioned over the fixed assets to be created on completion of development in progress.

13 The Company does not have any operating profit during the year and therefore, earning per share has not been calculated.

**14 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.

Aarkarshak Realators Pvt. Ltd.

Advance Buildcon Pvt. Ltd.

Anant Raj Cons. & Development 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.

Jasmine Buildwell Pvt. Ltd.

Jubilant Software Services Pvt. Ltd.

Kalinga Buildtech 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.



**FABULOUS BUILDERS PRIVATE LIMITED****Notes to financial statement for the year ended March 31, 2012**

Elegant Estates Pvt. Ltd.  
 Elevator Buildtech Pvt. Ltd.  
 Elevator Promoters Pvt. Ltd.  
 Elevator Properties Pvt. Ltd.  
 Empire Promoters Pvt. Ltd.  
 Excellent Inframart 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.  
 Hemkunt Promoters Pvt. Ltd.  
 High Land Meadows Pvt. Ltd.

Pioneer Promoters Pvt. Ltd.  
 Rapid Realtors Pvt. Ltd.  
 Red Sea Realty 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.  
 Woodland Promoters Pvt. Ltd.

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

Ganga Bishan &amp; Company

**Key management Personnel**

Sharda Sarin

Roma Sarin

Anil Mahindra

Chairman &amp; Director

Director

Director

**Note:** The related parties relationship is as identified by the management.**b) The Company has following transactions with the following related parties:**

Sl. No.	Nature of Transactions	Related Party	For the year ended March	For the year ended March
			31, 2012	31, 2011
			Rs.	Rs.
1	Long term borrowings received from holding company	Anant Raj Industries Ltd.	800,000	1,950,000
2	Long term borrowings repaid to holding company	Anant Raj Industries Ltd.	-	400,000



**FABULOUS BUILDERS PRIVATE LIMITED****Notes to financial statement for the year ended March 31, 2012****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	Equity share capital held by holding company	Anant Raj Industries Ltd.	500,000	500,000
2	Long term borrowings payable to holding company	Anant Raj Industries Ltd.	56,942,000	56,142,000

**15 Details of capital work in progress as on March 31, 2012:**

Particulars	2011-12 Rs.	2010-11 Rs.
a) Development and construction expenses	2,704,319	2,307,733
b) Preoperative expenditure pending capitalisation	383,004	87,972
	<u>3,087,323</u>	<u>2,395,705</u>

16 The Company has written off entire unamortised expenditure during the year.

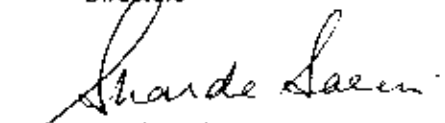
17 In the opinion of the management, the current assets, if realized, in the ordinary course of business, would realize a sum at least equal to that stated in the Balance Sheet.

18 Previous year figures have been regrouped/recast, wherever necessary, to confirm to this year's presentation.

19 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

  
Sharda Sarin

  
Anil Mahindra



May 24, 2012  
New Delhi

**FABULOUS BUILDERS PRIVATE LIMITED**

**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 before tax from continuing operations		-	-
Unamortised expenditure written off		9,910	-
Adjustment for working capital changes:			
Increase/(Decrease) in other current Liabilities		(70,892)	106,655
<b>Net cash from operating activities</b>	<b>(A)</b>	<b>(60,982)</b>	<b>106,655</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Addition to capital work in progress		(691,618)	(2,235,168)
Decrease/(Increase) in long term loans and advances		-	545,000
<b>Net cash from investing activities</b>	<b>(B)</b>	<b>(691,618)</b>	<b>(1,690,168)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Increase/(Decrease) in long term borrowings		800,000	1,550,000
<b>Net cash from financing activities</b>	<b>(C)</b>	<b>800,000</b>	<b>1,550,000</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(A+B+C)</b>	<b>47,400</b>	<b>(33,513)</b>
Cash and cash equivalents - Opening balance		52,746	86,259
Cash and cash equivalents - Closing balance		100,146	52,746

**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

*Abhishek Aneja*  
Abhishek Aneja

Partner  
Membership no. 520224  
May 24, 2012  
New Delhi



Directors

*Sharda Sarin*  
Sharda Sarin

*Anil Mahindra*  
Anil Mahindra