

## AUDITOR'S REPORT

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To the members of  
**Grand Buildtech Private Limited**

We have audited the attached Balance Sheet of Grand Buildtech Private Limited as at March 31, 2012, and the related Statement of Profit and Loss and 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 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
- (i) in 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

A handwritten signature in black ink, appearing to read "Rakesh Jain".

Rakesh Jain  
Partner  
Membership No. 086501

May 11, 2012

**GRAND BUILDTECH 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	<u>(277,003)</u>	<u>(86,200)</u>
		<u>222,997</u>	<u>413,800</u>
<b>Non current liabilities</b>			
a) Long term borrowings	4	149,812,739	149,812,739
<b>Current liabilities</b>			
a) Other current liabilities	5	19,457	17,648
<b>TOTAL</b>		<u><b>150,055,193</b></u>	<u><b>150,244,187</b></u>
<b>II. ASSETS</b>			
<b>Non current assets</b>			
a) Non current investment	6	150,000,000	-
b) Long term loans and advances	7	-	150,000,000
		<u>150,000,000</u>	<u>150,000,000</u>
<b>Current assets</b>			
a) Cash and cash equivalents	8	55,193	69,485
b) Other current assets	9	-	174,702
		<u>55,193</u>	<u>244,187</u>
<b>TOTAL</b>		<u><b>150,055,193</b></u>	<u><b>150,244,187</b></u>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1		

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

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

Rakesh Jain  
Partner  
Membership no. 086501  
May 11, 2012  
New Delhi



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

Directors

*Saloni Sarla*  
Saloni Sarla

*Navneet Singh Bhatia*  
Navneet Singh Bhatia

**GRAND BUILDTECH 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.
<b>I INCOMES</b>		-	-
<b>II EXPENSES</b>			
Other expenses	10	190,803	21,775
<b>Total expenses</b>		<u>190,803</u>	<u>21,775</u>
<b>III Profit/(Loss) before tax (I - II)</b>		<b>(190,803)</b>	<b>(21,775)</b>
<b>IV Tax expense</b>		-	-
<b>V Profit/(Loss) for the year from continuing operation (III - IV)</b>		<u><b>(190,803)</b></u>	<u><b>(21,775)</b></u>
<b>VII Earnings per share (equity share, par value of Rs. 10 (Rs. 10) each)</b>			
1) Basic		-3.82	-0.44
2) Diluted		-3.82	-0.44

**SIGNIFICANT ACCOUNTING POLICIES**

**1**

This is the Statement of Profit and Loss referred in our report of even date addressed to the members of Grand Buildtech 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



Rakesh Jain  
Partner  
Membership no. 086501  
May 11, 2012  
New Delhi

Directors

*Saloni Sarin*  
Saloni Sarin

*Navneet Singh Bhatia*  
Navneet Singh Bhatia

**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) INVESTMENTS**

Investment in shares are considered long term investment of the Company and are stated at cost including cost directly attributable to the acquisition thereof and provision is made to recognize any decline, other than temporary, in the value of such investments.

**d) 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.

**e) 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.



**GRAND BUILDTECH 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>		
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	(86,200)	(64,425)
Addition during the year	(190,803)	(21,775)
	(277,003)	(86,200)



**GRAND BUILDTECH 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>4 LONG TERM BORROWINGS</b> (Unsecured)		
a) Loan from related party	<u>149,812,739</u>	<u>149,812,739</u>
<p>Loan from related party represents non interest bearing unsecured loan obtained from holding company utilised to make investments, which is repayable on divestment of the investments. 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		
Expenses payable	<u>19,457</u>	<u>17,648</u>
<b>6 NON CURRENT INVESTMENTS</b>		
Trade and Unquoted Investment (Valued at cost)		
a) Investment in preference shares:		
150,000 (150,000) Non Convertible Non Cumulative Redeemable Preference Shares of Rs. 100 each fully paid up in Marg Darshan Buildrop Private Limited	<u>150,000,000</u>	<u>-</u>
Aggregate amount of unquoted investments	<u>150,000,000</u>	<u>-</u>
<b>7 LONG TERM LOANS AND ADVANCES</b> (Unsecured, considered good)		
a) Share application money given	<u>-</u>	<u>150,000,000</u>
<b>8 CASH AND CASH EQUIVALENTS</b>		
a) Balance with bank		
- In current account	52,521	66,813
b) Cash on hand	<u>2,672</u>	<u>2,672</u>
	<u>55,193</u>	<u>69,485</u>
<b>9 OTHER CURRENT ASSETS</b>		
a) Unamortized expenditure		
Opening balance	174,702	174,702
Less: Written off during the year	<u>174,702</u>	<u>-</u>
	<u>-</u>	<u>174,702</u>
	<b>For the year ended March 31, 2012 Rs.</b>	<b>For the year ended March 31, 2011 Rs.</b>
<b>10 OTHER EXPENSES</b>		
a) Payment to auditors as audit fees	8,427	17,648
b) Filing fee	1,010	1,500
c) Legal and professional	5,791	2,077
d) Bank charges	873	550
e) Unamortised expenditure written off	<u>174,702</u>	<u>-</u>
	<u>190,803</u>	<u>21,775</u>



**GRAND BUILDTECH PRIVATE LIMITED****Notes to financial statement for the year ended March 31, 2012**

- 11 The Company proposes to undertake development of real estate project and directors are identifying for suitable opportunity in this regard.
- 12 As per the best estimates and in the opinion of the Board of directors of the Company, no provision is required to be made in the value of long term investment held by the Company.
- 13 The Company has written off entire unamortised expenditure during the year.
- 14 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.	(190,803)	(21,775)
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.	(3.82)	(0.44)

**15 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.

Aakarshak Realtors Pvt. Ltd.

Advance Buildcon Pvt. Ltd.

Anant Raj Cons. &amp; 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.

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. &amp; Equipment Pvt. Ltd.

Parkland Developers Pvt. Ltd.

Parkland Promoters Pvt. Ltd.





**GRAND BUILDTECH PRIVATE LIMITED**

**Notes to financial statement for the year ended March 31, 2012**

Echo Properties Pvt. Ltd.	Pasupati Aluminum Ltd.
Elegant Buildcon Pvt. Ltd.	Pelikan Estates Pvt. Ltd.
Elegant Estates Pvt. Ltd.	Pioneer Promoters Pvt. Ltd.
Elevator Buildtech Pvt. Ltd.	Rapid Realtors Pvt. Ltd.
Elevator Promoters Pvt. Ltd.	Red Sea Realty Pvt. Ltd.
Elevator Properties Pvt. Ltd.	Rising Realty Pvt. Ltd.
Empire Promoters Pvt. Ltd.	Rolling Construction Pvt. Ltd.
Excellent Inframart Pvt. Ltd.	Romano Estate Pvt. Ltd.
Fabulous Builders Pvt. Ltd.	Romano Infrastructure Pvt. Ltd.
Four Construction Pvt. Ltd.	Romano Projects Pvt. Ltd.
Gadget Builders Pvt. Ltd.	Romano Tiles Pvt. Ltd.
Gagan Buildtech Pvt. Ltd.	Rose Realty Pvt. Ltd.
Glaze Properties Pvt. Ltd.	Roseview Buildtech Pvt. Ltd.
Good Luck 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 & Company

**Key management Personnel**

Navneet Singh Bhatia

Chairman

Ajay Singh Pathania

Director

Saloni Sarin

Director

**Note:** Related party relationship is as identified by the management of the Company.

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

Sl. No.	Nature of Transactions	Related Party	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
1	Long term borrowings received from holding company	Anant Raj Industries Ltd.	-	3,960
2	Purchase of land	Anant Raj Industries Ltd.	-	19,155,232
3	Sale of land	Anant Raj Industries Ltd.	-	20,306,040



**GRAND BUILDTECH 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	Share capital held by holding company	Anant Raj Industries Ltd.	500,000	500,000
2	Long term borrowings payable to holdings company	Anant Raj Industries Ltd.	149,812,739	149,812,739

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

17 Previous year figures have been regrouped or recast, wherever necessary, in order to confirm to this year's presentation.

18 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



May 11, 2012  
New Delhi

*Saoni Sarin*

Saoni Sarin

*Navneet Singh Bhatia*

Navneet Singh Bhatia

**GRAND BUILDTech 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/(Loss) before tax from continuing operation		(190,803)	(21,775)
Unamortised expenditure written off		174,702	-
<b>Adjustment for working capital changes:</b>			
Increase/(Decrease) in other current liabilities		1,809	11,030
<b>Net cash from operating activities</b>	<b>(A)</b>	<b>(14,292)</b>	<b>(10,745)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Investment in preference shares		(150,000,000)	-
Decrease/(Increase) in long term loans and advances		150,000,000	-
<b>Net cash from investing activities</b>	<b>(B)</b>	<b>-</b>	<b>-</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Increase/(Decrease) in long term borrowings		-	3,960
<b>Net cash used in financing activities</b>	<b>(C)</b>	<b>-</b>	<b>3,960</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(A+B+C)</b>	<b>(14,292)</b>	<b>(6,785)</b>
Cash and cash equivalents - Opening balance		69,485	76,270
Cash and cash equivalents - Closing balance		55,193	69,485

**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

*Rakesh Jain*

Rakesh Jain  
Partner  
Membership no. 086501  
May 11, 2012  
New Delhi



Directors

*Saloni Sarin*  
Saloni Sarin

*Navneet Singh Bhatia*

Navneet Singh Bhatia