

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, 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.

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) 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:



- (i) In case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
- (ii) in the case of Statement of Profit and Loss, of the loss incurred by the Company for the year ended on that date; and
- (iii) 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

May 09, 2012

B. Bhushan & Co.
Chartered Accountants
Firm Registration No. 001595N
By the hand of

Vis

Vishwanand Keshri
Partner

Membership No. 505508



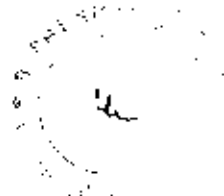
ANNEXURE TO AUDITORS' REPORT

(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 Order are not applicable to the Company.
- III.
 - a) During the year, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
 - b) During the year, the Company has taken unsecured short term loans from its holding company listed in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 20,000 and the yearend balance of said loan was Rs. 20,000.
 - c) In our opinion and according to the information and explanations given to us, the terms and conditions of loans taken by the Company are prima facie not prejudicial to the interests of the Company.
 - d) The aforesaid unsecured loan taken by the Company is repayable on demand and is interest free and the event for repayment of loan has not arisen and no interest is due.
- 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.
 - a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301, have been so entered.
 - b) Transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- 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 not incurred cash losses during the financial year covered by our audit and also has not 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,
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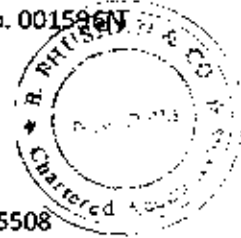
May 09, 2012

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



Vishwanand Keshri
Partner

Membership No. 505508



GUJARAT ANANT RAJ VIDHYANAGAR LIMITED

BALANCE SHEET AS AT MARCH 31, 2012


	Notes	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
I. EQUITY AND LIABILITIES			
Shareholders' fund			
a) Share capital	2	1,000,000	1,000,000
b) Reserves and surplus	3	<u>(232,219)</u>	<u>(202,594)</u>
		<u>767,781</u>	<u>797,406</u>
Current liabilities			
a) Short term borrowings	4	20,000	-
b) Other current liabilities	5	8,427	6,618
c) Short term provision	6	<u>12,477</u>	<u>9,072</u>
		<u>40,904</u>	<u>15,690</u>
TOTAL		<u>808,685</u>	<u>813,096</u>
II. ASSETS			
Current assets			
a) Cash and bank balances	7	798,146	743,805
b) Other current assets	8	<u>10,539</u>	<u>69,291</u>
		<u>808,685</u>	<u>813,096</u>
TOTAL		<u>808,685</u>	<u>813,096</u>

SIGNIFICANT ACCOUNTING POLICIES

1


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

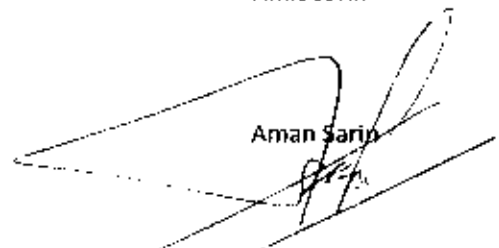
The notes referred above form an integral part of the Balance Sheet.

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

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



Directors


Amit Sarin


Aman Sarin

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 INCOMES			
Other income	9	56,340	41,480
Total revenue		<u>56,340</u>	<u>41,480</u>
II EXPENSES			
Other expenses	10	73,488	12,125
Total expense		<u>73,488</u>	<u>12,125</u>
III Profit/(Loss) before tax (I - II)		(17,148)	29,355
IV Tax expense			
Current tax		12,477	9,072
V Profit/(Loss) for the year from continuing operations (III - IV)		<u>(29,625)</u>	<u>20,283</u>
VI Earnings per share [equity share, par value of Rs. 10 (Rs. 10) each]			
1) Basic		-0.30	0.20
2) Diluted		-0.30	0.20

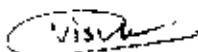
SIGNIFICANT ACCOUNTING POLICIES

1

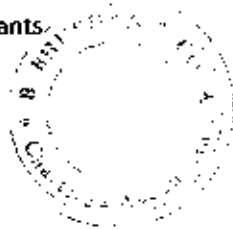
This is the Statement of Profit and Loss referred in our report of even date addressed to the members of Gujrat Anant Raj Vidhyanagar Limited.

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



Amit Sarin



Aman Sarin

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.



GUJARAT ANANT RAJ VIDHYANAGAR LIMITED
Notes to financial statement for the year ended March 31, 2012

	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
2 SHARE CAPITAL		
Authorized		
100,000 (100,000) equity shares of Rs. 10 (Rs. 10) each	1,000,000	1,000,000
Issued, subscribed, and fully paid up		
100,000 (100,000) equity shares of Rs. 10 (Rs. 10) each fully paid up	1,000,000	1,000,000

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	100,000	1,000,000	100,000	1,000,000
Number of shares outstanding at the end of the year	100,000	1,000,000	100,000	1,000,000

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.

*100,000 (*100,000) equity shares of Rs. 10 (Rs. 10) each fully paid up 1,000,000 1,000,000

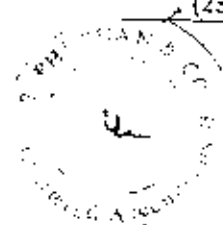
*Includes 6 (6) equity shares held by nominees of the holding company, Anant Raj Industries Ltd.

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

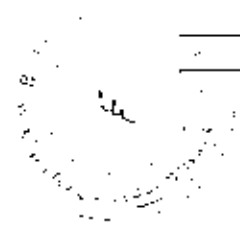
	As at March 31, 2012		As at March 31, 2011	
	Number	% holding	Number	% holding
Equity Shares of Rs. 10 (Rs. 10) each fully paid up				
- Anant Raj Industries Limited	100,000	100%	100,000	100%

3 RESERVES AND SURPLUS
a) Profit and Loss Account

Opening balance	(202,594)	(222,877)
Addition during the year	(29,625)	20,283
	<u>(232,219)</u>	<u>(202,594)</u>



	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
4 SHORT TERM BORROWINGS		
(Unsecured)		
a) Loan from related party	20,000	-
<p>Loan from related party represents non interest bearing unsecured loan obtained from holding company which is repayable on demand. There is no repayment of principal or payment of interest due by the Company as at the year end.</p>		
5 OTHER CURRENT LIABILITIES		
a) Other payables		
Expenses payable	8,427	6,618
6 SHORT TERM PROVISIONS		
a) Provision for income tax	12,477	9,072
7 CASH AND BANK BALANCES		
a) Cash and cash equivalents		
i) Balance with bank in current account	13,674	8,597
ii) Cash on hand	700	1,700
	14,374	9,297
b) Other bank balances		
i) Deposits with original maturity of more than 3 months but less than 12 months	783,772	734,508
	798,146	743,805
8 OTHER CURRENT ASSETS		
a) Unamortised expenditure		
Opening balance	57,529	57,529
Less: Written off during the year	57,529	-
	-	57,529
b) Interest accrued but not due	4,904	3,463
c) Income tax receivable	5,635	8,299
	10,539	69,291
	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
9 OTHER INCOME		
a) Interest income	56,340	41,480
10 OTHER EXPENSES		
a) Payment to auditors as audit fees	8,427	6,618
b) Bank charges	550	1,550
c) Filing fee	1,500	1,200
d) Legal and professional	5,482	2,757
e) Unamortised expenditure written off	57,529	-
	73,488	12,125



- 11 The Company proposes to undertake development of real estate project and it is identifying for suitable opportunity in this regard.
- 12 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.
- 13 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	For the year
		ended March	ended March
		31, 2012	31, 2012
		Rs.	Rs.
Profit/(Loss) attributable to equity shareholders	Rs.	(29,625)	20,283
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.	-0.30	0.20

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.	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 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.

GUJARAT ANANT RAJ VIDHYANAGAR LIMITED

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

Echo Properties Pvt. Ltd.	Pasupati Aluminium 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 Buildtech Pvt. Ltd.	Saffron View Properties Pvt. Ltd.
Grand Park Buildtech Pvt. Ltd.	Sand Storm Buildtech Pvt. Ltd.
Grand Park Estates Pvt. Ltd.	Sartaj Developers & Promoters Pvt. Ltd.
Greatway Estates Ltd.	Sovereign Bulldwell Pvt. Ltd.
Greatways Buildtech Pvt. Ltd.	Spring View Developers Pvt. Ltd.
Green Line Buildcon Pvt. Ltd.	Spring view Properties Pvt. Ltd.
Green Line Promoters Pvt. Ltd.	Suburban Farms Pvt. Ltd.
Green Retreat and Motels Pvt. Ltd.	Three Star Realty Pvt. Ltd.
Green View Bulldwell Pvt. Ltd.	Townsend Cons. & Equipments Pvt. Ltd.
Green Way Promoters Pvt. Ltd.	Tumhareliye Realty Pvt. Ltd.
Green Wood Properties Pvt. 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

Amit Sarin

Chairman & Director

Aman Sarin

Director

Saloni Sarin

Director

Note: The related party relationship is as identified by the 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	For the year
			ended March	ended March
			31, 2012	31, 2011
			Rs.	Rs.
1	Short term borrowing received from holding company	Anant Raj Industries Ltd.	20,000	-



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.	1,000,000	1,000,000
2	Short term borrowing repayable to holding company	Anant Raj Industries Ltd.	20,000	-

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

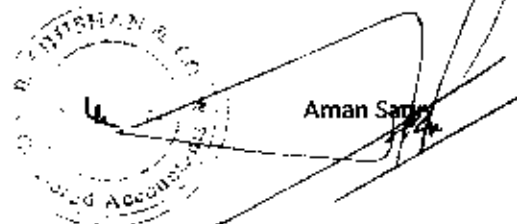
16 Figures and words in brackets relate to the previous year unless otherwise indicated.

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

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

Directors
Amit Sarin

Aman Sarin



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.
A. CASH FLOW FROM OPERATIONS			
Profit/(Loss) before tax from continuing operation		(17,148)	29,355
Unamortised expenditure written off		57,529	-
Interest received		(56,340)	(41,480)
Operating profit before working capital changes		(15,959)	(12,125)
Adjustment for working capital changes:			
-(Increase)/Decrease in other current assets		(1,441)	2,317
-Increase/(Decrease) in other current liabilities		1,809	-
Cash from operating activities		(15,591)	(9,808)
Tax paid during the Year		(6,408)	(8,299)
Net Cash from operating Activities	(A)	(21,999)	(18,107)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Interest received		56,340	41,480
Investment in bank deposits (having original maturity of more than 3 months)		(49,264)	(34,508)
Net cash from investing activities	(B)	7,076	6,972
C. CASH FLOW FROM FINANCING ACTIVITIES			
Increase/(Decrease) in short term borrowing		20,000	-
Net cash from financing activities	(C)	20,000	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(A+B+C)	5,077	(11,135)
Cash and cash equivalents - Opening balance		9,297	20,432
Cash and cash equivalents - Closing balance		14,374	9,297

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
Partner
Membership no. 505508
May 09, 2012
New Delhi

Directors

Amit Sarin

Aman Sarin