

AUDITOR'S REPORT

To the members of
Romano Projects Private Limited

We have audited the attached Balance Sheet of Romano Projects Private 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, do 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; and
 - b) In the case of Statement of Profit and Loss, of the loss incurred by the Company for the year ended on that date.
 - c) In the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date

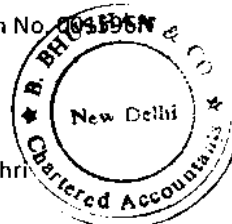
117, New Delhi House,
27, Barakhamba Road,
New Delhi- 110001

B. Bhushan & Co.
Chartered Accountants
Firm Registration No. 505508
By the hand of



Vishwanand Keshri
Partner

Membership No. 505508



May 11, 2012

ROMANO PROJECTS PRIVATE 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			
Shareholder's fund			
a) Share capital	2	500,000	100,000
b) Reserves and surplus	3	<u>(48,563)</u>	<u>(42,218)</u>
		<u>451,437</u>	<u>57,782</u>
Non Current liabilities			
a) Long term borrowings	4	500,000	-
Current liabilities			
a) Other current liabilities	5	8,427	19,470
b) Short term provisions	6	<u>1,639</u>	<u>-</u>
		<u>10,066</u>	<u>19,470</u>
TOTAL		<u>961,503</u>	<u>77,252</u>
II. ASSETS			
Non Current assets			
a) Long term loans and advances	7	500,000	-
Current assets			
a) Cash and cash equivalents	8	459,159	67,242
b) Other current assets	9	<u>2,344</u>	<u>10,010</u>
		<u>461,503</u>	<u>77,252</u>
TOTAL		<u>961,503</u>	<u>77,252</u>
SIGNIFICANT ACCOUNTING POLICIES	1		

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

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

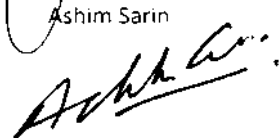
B. Bhushan & Co.
Chartered Accountants
By the hand of


Vishwanand Keshri
Partner
Membership No. 505508
May 11, 2012
New Delhi



Director


Ashim Sarin


Achhey Lal

ROMANO PROJECTS 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 INCOMES			
Other income	10	23,346	
Total revenue		23,346	-
II EXPENSES			
Other expenses	11	28,052	21,247
Total Expenses		28,052	21,247
III Profit/(Loss) before tax (I - II)		(4,706)	(21,247)
IV Tax expense			
Current tax		1,639	-
V Profit/(Loss) for the year from continuing operations (III - IV)		(6,345)	(21,247)
VI Earnings per share [equity share, par value of Rs. 10 (Rs. 10) each]			
1) Basic		(0.14)	(2.12)
2) Diluted		(0.14)	(2.12)

SIGNIFICANT ACCOUNTING POLICIES

1

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

Vishwanand Keshri

Vishwanand Keshri
Partner
Membership No. 505508
May 11, 2012
New Delhi



Directors

Ashim Sarin

Ashim Sarin

Achhey Lal

Achhey Lal

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.



ROMANO PROJECTS 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.
2 SHARE CAPITAL		
Authorized		
50,000 (50,000) equity shares of Rs. 10 (Rs. 10) each.	500,000	500,000
Issued, subscribed, and fully paid up		
50,000 (10,000) equity shares of Rs. 10 (Rs. 10) each fully paid up.	500,000	100,000

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	10,000	100,000	10,000	100,000
Shares issued during the year	40,000	400,000	-	-
Number of shares outstanding at the end of the year	50,000	500,000	10,000	100,000

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

500,000

100,000

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

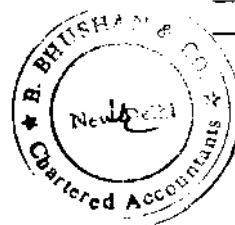
d) Details of shareholders holding more than 5% shares in the company

	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	50,000	100%	10,000	100%

3 RESERVES AND SURPLUS

a) Profit and Loss Account

Opening balance	(42,218)	(20,971)
Addition during the year	(6,345)	(21,247)
	(48,563)	(42,218)



ROMANO PROJECTS 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.
4 LONG TERM BORROWINGS		
(Unsecured)		
a) Loan from related party	500,000	-
<p>Loan from related party represents non interest bearing unsecured loans obtained from holding company utilised to make application for investment, which loan is repayable on divestment of the said investment. 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) Expenses payable	8,427	19,470
6 SHORT TERM PROVISION		
a) Provision for income tax	1,639	-
7 LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
a) Advances recoverable in cash or in kind	500,000	-
8 CASH AND CASH EQUIVALENTS		
a) Balance with bank		
- In current account	454,419	62,502
	4,740	4,740
b) Cash on hand	459,159	67,242
9 OTHER CURRENT ASSETS		
a) Unamortised expenditure		
Opening balance	10,010	10,010
Less: Written off during the year	10,010	-
	-	10,010
b) Income tax receivable	2,344	-
	2,344	10,010
	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
10 OTHER INCOME		
a) Interest income	23,346	-
11 OTHER EXPENSES		
a) Payment to auditors as audit fees	8,427	6,618
b) Filing fee	1,920	13,252
c) Legal and professional	7,145	827
d) Bank charges	550	550
e) Unamortised expenditure written off	10,010	-
	28,052	21,247



ROMANO PROJECTS PRIVATE LIMITED**Notes to financial statement for the year ended March 31, 2012**

- 12 The Company proposes to undertake development of a real estate project and directors are identifying for suitable opportunity in this regard.
- 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 ended March 31, 2012	For the year ended March 31, 2011
Profit/(Loss) attributable to equity shareholders	Rs.	(6,345)	(21,247)
Nominal value of equity share	Rs.	10	10
Weighted average number of equity shares outstanding during the year	No.	44,645	10,000
Basic and diluted earnings per share	Rs.	(0.14)	(2.12)

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.

Elegant Estates Pvt. Ltd.

Elevator Buildtech Pvt. Ltd.

High Land Meadows 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.

Pioneer Promoters Pvt. Ltd.



ROMANO PROJECTS PRIVATE LIMITED

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

- | | |
|------------------------------------|---|
| 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 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 Buildwell 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 Buildwell 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. |
| Gujarat Anant Raj Vidhyanagar Ltd. | Vibrant Buildmart Pvt. Ltd. |
| Hamara Realty Pvt. Ltd. | West Land Buildcon Pvt. Ltd. |
| Hemkunt Promoters Pvt. Ltd. | Woodland Promoters Pvt. Ltd. |

Partnership firm in which holding company is partner

Ganga Bishan & Company

Key Management Personnel

Ashim Sarin	Chairman & Director
Achhey Lal	Director
Nutan Nakra*	Director
Shri Chand#	Director

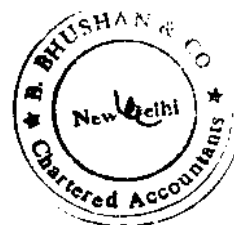
* Appointment as director w.e.f April 25,2012

Resigend from directorship w.e.f April 25,2012

Note: The related party 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 31, 2012	For the year ended March 31, 2011
			Rs.	Rs.
1	Share capital acquired and issued to holding company	Anant Raj Industries Ltd.	400,000	100,000
2	Long term borrowing received from holding company	Anant Raj Industries Ltd.	500,000	-



ROMANO PROJECTS PRIVATE LIMITED

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

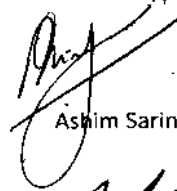
c) Amount outstanding as at March 31, 2012:

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	100,000
2	Long term borrowing repayable to holding company	Anant Raj Industries Ltd.	500,000	-

- 15 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.
- 16 The Company has written off entire unamortised expenditure during the year.
- 17 Previous year figures have been regrouped or recast, wherever necessary to confirm with this year's presentation
- 18 Figures in brackets pertain to the 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,



Ashim Sarin



Achhey Lal

May 11, 2012
New Delhi



ROMANO PROJECTS 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.
A. CASH FLOW FROM OPERATIONS		
Profit/(Loss) before tax from continuing operation	(4,706)	(21,247)
Interest received	(23,346)	-
Unamortised expenditure written off	10,010	-
Adjustment for working capital changes:		
Increase/(Decrease) in other current liabilities	(11,043)	12,852
Net cash flow from operating activities	(29,085)	(8,395)
Tax paid during the year	(2,344)	-
Net cash used in operating activities	(A) (31,429)	(8,395)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	23,346	-
Decrease/(Increase) in long term loans and advances	(500,000)	-
Net cash flow from investing activities	(B) (476,654)	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital	400,000	-
Increase/(Decrease) in long term borrowings	500,000	-
Net cash flow from financing activities	(C) 900,000	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(A+B+C) 391,917	(8,395)
Cash and cash equivalents - Opening balance	67,242	75,637
Cash and cash equivalents - Closing balance	459,159	67,242

Note: Figures in brackets indicate cash outflow

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

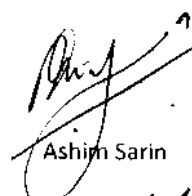
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