

AUDITOR'S REPORT

To the members of
Romano Tiles Private Limited

We have audited the attached Balance Sheet of Romano Tiles Private Limited as at March 31, 2012, 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) (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.

Further, 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
- 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. 0093812
By the hand of

Kamal Ahluwalia

Kamal Ahluwalia
Partner

Membership No. 093812



May 16, 2012

ROMANO TILES 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			
Shareholders' fund			
a) Share capital	2	500,000	500,000
b) Reserves and surplus	3	(1,498,341)	(1,319,582)
		<u>(998,341)</u>	<u>(819,582)</u>
Non current liabilities			
a) Long term borrowings	4	55,011,662	51,271,706
b) Deferred tax liability (net)		852	1,334
		<u>55,012,514</u>	<u>51,273,040</u>
Current liabilities			
a) Other current liabilities	5	17,788	39,835
	TOTAL	<u>54,031,961</u>	<u>50,493,293</u>
II. ASSETS			
Non current assets			
a) Fixed assets			
i) Tangible assets	6	53,130,234	49,434,955
b) Non current investments	7	55,000	55,000
c) Long term loans and advances	8	79,290	79,290
		<u>53,264,524</u>	<u>49,569,245</u>
Current assets			
a) Inventories	9	281,674	293,165
b) Trade receivables	10	-	48,938
c) Cash and bank balances	11	440,320	470,393
d) Other current assets	12	45,443	111,552
		<u>767,437</u>	<u>924,048</u>
	TOTAL	<u>54,031,961</u>	<u>50,493,293</u>

SIGNIFICANT ACCOUNTING POLICIES

1

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

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

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

Kamal Ahluwalia
Kamal Ahluwalia
Partner
Membership no. 093812
May 16, 2012
New Delhi



Directors

Arman Sarin
Arman Sarin
Jayanti Sarin
Jayanti Sarin

ROMANO TILES 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 FROM OPERATION			
Revenue from operations	13	11,625	54,700
Other income	14	41,792	36,253
Total income		<u>53,417</u>	<u>90,953</u>
II EXPENSES			
Employee benefits expense	15	-	18,227
Derease in inventory of traded goods	16	11,223	110,017
Consumption of packing material		268	8,980
Depreciation		2,389	3,690
Other expenses	17	218,778	240,929
Total expenses		<u>232,658</u>	<u>381,843</u>
III Profit/(Loss) during the year (I - II)		(179,241)	(290,890)
IV Prior period items		-	1,593
V Profit/(Loss) before tax (III - IV)		(179,241)	(292,483)
VI Tax expense			
Current tax		-	-
Deferred tax		(482)	(704)
		<u>(482)</u>	<u>(704)</u>
VII Profit/(Loss) for the year from continuing operations (V - VI)		(178,759)	(291,779)
VIII Earnings per share [equity share, par value of Rs. 10 (Rs. 10) each]			
1) Basic		-3.58	-5.84
2) Diluted		-3.58	-5.84

SIGNIFICANT ACCOUNTING POLICIES

1

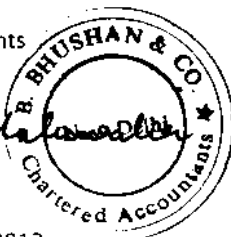
This is the Statement of Profit and Loss referred in our report of even date addressed to the members of Romano Tiles Private Limited.

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

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

Kamal Ahluwalia
Kamal Ahluwalia
Partner

Membership no. 093812
May 16, 2012
New Delhi



Directors

[Signature]
Am. Sarin
[Signature]
Jayanti 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) TANGIBLE ASSETS

Tangible assets are stated at cost including incidental expenses, less accumulated depreciation and impairment losses. Cost comprises the purchase price and any attributable cost incurred in bringing the asset to its working condition for its intended use.

c) 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 recognised whenever the carrying amount of an asset exceeds its recoverable amount, the latter being greater of net selling price and value in use.

d) INVESTMENTS

Long term investments are valued at cost. Provision is made for diminution in the value of investments where in the opinion of the Board of Directors such diminution is other than temporary.

e) INVENTORIES

Inventories comprise of traded goods and packing material, which are valued at cost or net realizable value whichever is lower, as per the First in First Out method. Cost of inventories comprises of purchase price including other expenditure directly attributable for bringing the inventories to its present location and condition.

f) DEPRECIATION

Depreciation on fixed assets is charged on the written down value method at rates as specified in Schedule XIV of the Companies Act, 1956. Depreciation on the purchase of assets during the year has been provided on pro-rata basis according to the period, such assets was put to use during the year.



g) RECOGNITION OF REVENUE AND EXPENDITURE

Income and expenditure are accounted for on accrual basis.

h) 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.

i) 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.

j) 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 maturities of three months or less.

k) TAXES ON INCOME

The accounting treatment followed for taxes on income is to provide for Current Tax and Deferred Tax. Provision for current income tax is made for the tax liability payable on taxable income ascertained in accordance with the applicable tax rates and laws.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences between the financial statements, carrying amounts of existing assets and liabilities and their respective tax bases and carry forwards of operating loss. Deferred tax assets and liabilities are measured on the timing differences applying the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Changes in deferred tax assets and liabilities between one Balance Sheet date and the next, are recognized in the Statement of Profit and Loss in the year of change. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Statement of Profit and Loss in the year of change.

Deferred tax assets are recognized only to the extent there is reasonable certainty that sufficient future taxable income will be available against which these assets can be realized in future, whereas in case of existence of unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization backed by convincing evidence. Deferred tax assets are reviewed at each Balance Sheet date.



ROMANO TILES 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		
100,000 (100,000) equity shares of Rs. 10 (Rs. 10) each	1,000,000	1,000,000
Issued, subscribed, and fully paid up		
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.

*40,000 (*40,000) equity shares of Rs. 10 (Rs. 10) each fully paid up 400,000 400,000

*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				
i) Anant Raj Industries Limited	40,000	80%	40,000	80%
ii) Excel Infotech Pvt. Ltd.	10,000	20%	10,000	20%

3 RESERVES AND SURPLUS

a) Profit and Loss Account		
Opening balance	(1,319,582)	(1,027,802)
Addition during the year	(178,759)	(291,779)
	(1,498,341)	(1,319,582)



ROMANO TILES PRIVATE LIMITED

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

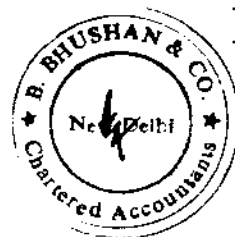
	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
4 LONG TERM BORROWINGS		
(Unsecured)		
a) Loan from related party	55,011,662	51,271,706
<p>Loan from related party represents non interest bearing unsecured loan obtained from holding company utilised for purchase of factory land, whereupon the plan to set up factory is under implementation, which loan is repayable when the Company start yielding revenue from the business. 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		
i) Expenses payable	17,236	32,299
ii) Statutory dues payable	552	7,536
	<u>17,788</u>	<u>39,835</u>
7 NON CURRENT INVESTMENT		
Trade and Unquoted Investment (At cost)		
a) Investment in government securities	55,000	55,000
8 LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
a) Security deposits	79,290	79,290
9 INVENTORIES		
(As taken and valued by management)		
a) Traded goods	138,490	149,713
b) Packing material	143,184	143,452
	<u>281,674</u>	<u>293,165</u>
<p>Inventories comprise of traded goods and packing material, which are valued at cost or net realizable value whichever is lower, as per the First in First Out method. Cost of inventories comprises of purchase price including other expenditure directly attributable for bringing the inventories to its present location and condition.</p>		
10 TRADE RECEIVABLES		
(Unsecured and considered good)		
- Trade receivables outstanding for a period:		
a) more than six months from the date they are due for payment	-	-
b) less than six months from the date they are due for payment	-	48,938
	<u>-</u>	<u>48,938</u>
11 CASH AND BANK BALANCES		
a) Cash and cash equivalents		
i) Balance with bank in current accounts	61,171	10,477
ii) Cash on hand	278	428
	<u>61,449</u>	<u>10,905</u>
b) Other bank balances		
i) Deposits with original maturity of more than 3 months	378,871	459,488
	<u>440,320</u>	<u>470,393</u>



ROMANO TILES 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.
12 OTHER CURRENT ASSETS		
a) Unamortised expenditure		
Opening balance	6,937	13,874
Less: Amount written off during the year	6,937	6,937
	-	6,937
b) Income tax receivable	3,031	54,392
c) Interest accrued but not due	42,412	50,223
	45,443	111,552
	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
13 REVENUE FROM OPERATIONS		
a) Sale of ceramic tiles	11,625	54,700
14 OTHER INCOME		
a) Interest on fixed deposits	30,125	31,003
b) Interest on national saving certificate	5,679	5,250
c) Interest received on Income tax refund	5,988	-
	41,792	36,253
15 EMPLOYEE BENEFITS EXPENSES		
a) Salary	-	11,786
b) Staff welfare	-	6,441
	-	18,227
16 DECREASE IN INVENTORIES OF TRADED GOODS		
a) Ceramic Tiles		
Opening balance	149,713	259,730
Closing balance	138,490	149,713
	11,223	110,017
17 OTHER EXPENSES		
a) Security expenses	177,978	209,124
b) Legal and professional	12,343	7,078
c) Payment to auditors as audit fees	11,236	8,273
d) Water charges	7,800	-
e) Travelling	-	7,078
f) Filing fee	1,362	1,326
g) Printing and stationary	-	1,113
h) Bank charges	288	-
i) Interest paid	553	-
j) Balance written off	281	-
k) Unamortised expenditure written off	6,937	6,937
	218,778	240,929



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

- 18 Fixed deposit receipts pledged with Sales Tax Authorities are Rs. 3,78,871 (Rs. 3,48,036).
- 19 The Company is carrying on the business of dealing in ceramic tiles and is in the process of implementing its plan to setup a ceramic tiles manufacturing plant in Gujarat on land allotted to the Company by Gujarat Industrial Development Corporation.
- 20 In accordance with the provisions of Accounting Standard-22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has recognized deferred tax liability of Rs. 852 (Rs. 1,334) as at March 31, 2012. The major components of the same are as under:

Particulars	As at March 31, 2011 Rs.	As at March 31, 2012 Rs.	For the year Rs.
Deferred tax liability			
- On Fixed assets	1,334	852	(482)

The net deferred tax assets of Rs. 482 (Rs. 704) for the year has been credited to Statement of Profit and Loss.

- 21 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.	(178,759)	(291,779)
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.	(3.58)	(5.84)

22 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.

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.



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

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.	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

Aman Sarin

Chairman

Jayanti Sarin

Director

Anil Mahindra

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 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
1	Long term borrowings received from holding company	Anant Raj Industries Ltd.	3,739,956	2,775,000



ROMANO TILES 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.	400,000	400,000
2	Long term borrowings payable to holding company	Anant Raj Industries Ltd.	55,011,662	51,271,706

23 Additional information pursuant to provisions of para 5 of Part II of Schedule VI of the Companies Act, 1956:

	Current Year		Previous Year	
	Quantity (Boxes)	Value (Rs.)	Quantity (Boxes)	Value (Rs.)
Traded goods-Ceramic tiles				
Opening	1,261	149,713	2,277	259,729
Sales during the year	93	11,221	903	99,237
Closing	1,168	138,492	1,261	149,713

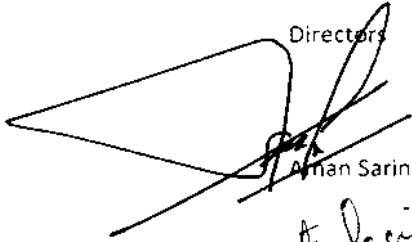
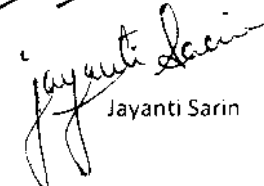
24 In the opinion of the management, current assets, if realized in the ordinary course of business would yield a sum at least equal to that stated in the Balance Sheet.

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

26 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

 Aman Sarin

 Jayanti Sarin

May 16, 2012
 New Delhi

ROMANO TILES 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	(179,241)	(290,891)
Depreciation	2,389	3,690
Interest received	(30,125)	(36,253)
Prior period items	-	(1,593)
Unamortised expenditure written off	6,937	6,937
Operating profit before working capital changes	(200,040)	(318,110)
Adjustment for working capital:		
-Decrease/(Increase) in other current assets	62,203	(22,783)
- Decrease/(Increase) in trade receivable	48,938	(48,938)
- Decrease/(Increase) in inventories	11,491	118,998
-Increase/(Decrease) in other current liabilities	(22,047)	12,860
Cash from operating activities	(99,455)	(257,973)
Tax paid during the year	(3,031)	(3,324)
Net cash from operating activities	(A) (102,486)	(261,297)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Addition to fixed assets	(3,697,668)	(2,722,033)
Deposits with original maturity of more than 3 months	80,617	(14,553)
Interest received	30,125	36,253
Net cash from investing activities	(B) (3,586,926)	(2,700,333)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in long term borrowings	3,739,956	2,775,000
Net cash from financing activities	(C) 3,739,956	2,775,000
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(A+B+C) 50,544	(186,630)
Cash and cash equivalents - Opening balance	10,905	197,535
Cash and cash equivalents - Closing balance	61,449	10,905

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

Kamal Ahluwalia
Kamal Ahluwalia
Partner
Membership no. 093812
May 16, 2012
New Delhi



Directors

[Signature]
Amrita Sarin
[Signature]
Jayanti Sarin

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

Notes -6 "Tangible Assets"

Particulars	Gross Block			Depreciation			NET BLOCK		
	As at April 1, 2011 Rs.	Addition during the year Rs.	Sales during the year Rs.	As at March 31, 2012 Rs.	Upto March 31, 2011 Rs.	During the year Rs.	Upto March 31, 2012 Rs.	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
Land and site development	49,426,277	3,697,668	-	53,123,945	-	-	-	53,123,945	49,426,277
Computer	26,200	-	-	26,200	21,669	1,812	23,481	2,719	4,531
Mobile	6,500	-	-	6,500	2,353	577	2,930	3,570	4,147
Total	49,458,977	3,697,668	-	53,156,645	24,022	2,389	26,411	53,130,234	49,434,955
Previous year	46,736,944	2,722,033	-	49,458,977	20,332	3,690	24,022	49,434,955	46,716,612

