

A.K. Jindal & Associates
Chartered Accountants

201, SUCHET CHEMBER, 1224/5, BANK STREET, KAROL BAGH, NEW DELHI - 110005, TEL 28750239

AUDITOR'S REPORT

To

The Members of **Saffron Views Properties Private Limited**

We have audited the attached Balance Sheet of **Saffron Views Properties Private Limited** as at March 31, 2012 and also the statement of Profit & Loss Account and the Cash Flow Statement of the Company 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 auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain a reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that:

- (a). We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (b). 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 the books.
- (c). The Balance Sheet, the statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- (d). In our opinion, the Balance Sheet and the statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956.
- (e). On the basis of representations received from the directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

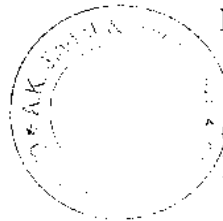



(f). In our opinion, and to the best of our information and according to the explanations given to us, the said accounts read with significant accounting policies and notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity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

- I] In the case of the Balance Sheet, of the state of affairs of the Company as at 31st march 2012; and
- II] In case of the statement of Profit and Loss, of the loss incurred for the year ended on that date.
- III] In case of the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

Place: Delhi
Dated: 07.05.2012

For A. K. Jindal & Associates
Chartered Accountants
Firm Registration No. 006659N
By the hand of




(Ashok Gupta)
Partner

Membership No. 085175

SAFFRON VIEW PROPERTIES PVT. LTD.
E-2, Jhandewalan, New Delhi
Balance Sheet As At March 31, 2012

Particulars	Note No.	As at March 31st March 2012	As at March 31st March 2011
I EQUITY AND LIABILITIES			
(1) Shareholders Funds			
(a) Share capital	1	500,000.00	100,000.00
(b) Reserves and surplus	2	(84,517.85)	(80,058.67)
(2) Non-current liabilities			
(a) Long term borrowings	3	15,700,000.00	50,000.00
(3) Current Liabilities			
(a) Other Current liabilities	4	17,852.00	16,352.00
TOTAL		16,133,334.15	86,293.33
II ASSETS			
(1) Non-Current assets			
(a) Fixed Asses			
(i) Tangible assets	5	16,050,100.00	-
(2) Current Assets			
(a) Cash and cash equivalents	6	82,058.34	26,293.33
(b) Short-term loans and advances	7	-	60,000.00
(c) Other Current Assets	8	1,175.81	
TOTAL		16,133,334.15	86,293.33
Significant accounting Policies and Notes on Accounts	11		

As per our Report of even date attached

For and on behalf of the Board of Directors

For A.K. Jindal & Associates
Chartered Accountants

DIRECTORS

Place: Delhi
Dated: 07.05.2012



Ashok Gupta
(Ashok Gupta)
Partner
Membership No. 085175

(Sharda Sarin)

Sharda Sarin

(Pankaj Nakra)

Pankaj Nakra

SAFFRON VIEW PROPERTIES PVT. LTD.
E-2, Jhandewalan, New Delhi
Profit And Loss Account For the Year Ended March 31, 2012

Particulars	Note No.	For the year Ended 31.3.2012	For the year Ended 31.3.2011
I Revenue from operations		-	-
II Other Income	9	11755.72	-
III Total Revenue (I+II)		11755.72	-
IV Expenses :			
Other Expenses	10	16,214.90	17,504.00
Total Expenses		16,214.90	17,504.00
V Profit before exceptional and extraordinary item and tax (III-IV)		(4,459.18)	(17,504)
VI Exceptional Items		-	-
VII Profit before exceptional and tax (V-VI)		(4,459.18)	(17,504)
VIII Extraordinary Items		-	-
IX Profit before tax (VII-VIII)		(4,459.18)	(17,504.00)
X Tax expense		(4,459.18)	(17,504.00)
XI Profit /(Loss) for the period from Continuing operations(IX-X)		(4,459.18)	(17,504.00)
XII Profit /(Loss) from discontinuing operations			
XIII Tax Expenses of discontinuing operations			
XIV Profit /(Loss) from discontinuing operations (after tax XII-XIII)		(4,459.18)	(17,504.00)
XV Profit/(Loss) for the period (XII-XIV)		(4,459.18)	(17,504.00)
XVI Earning per equity share:			
(1) Basic		(0.89)	(3.50)
(2) Diluted		(0.89)	(3.50)

Significant accounting Policies and Notes on Accounts

11

As per our Report of even date attached

For and on behalf of the Board of Directors

For A.K. Jindal & Associates
Chartered Accountants

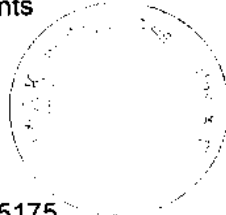
Place: Delhi

Dated: 07.05.2012

(Signature)
(Ashok Gupta)

Partner

Membership No. 085175



DIRECTORS

(Signature)
(Sharda Sarin)

(Signature)
(Pankaj Nakra)

NOTE NO.

	31.03.2012		31.03.2011	
	<u>Rupees</u>		<u>Rupees</u>	
1	<u>SHARE CAPITAL</u>			
a) Authorised 5000 (5000) Equity Shares of Rs.100 (Rs. 100) each	<u>500,000.00</u>		<u>500,000.00</u>	
b) Issued,Subscribed & paid up 5000 (1000) Equity Shares of Rs.100/- each fully paid-up	<u>500,000.00</u>		<u>100,000.00</u>	
c) Reconciliation of equity share capital	<u>As at March 31, 2012</u>		<u>As at March 31, 2011</u>	
	<u>Number</u>	<u>Amount</u>	<u>Number</u>	<u>Amount</u>
Number of shares outstanding at the beginning of	1000	100000	1000	100000
Shares issued during the year	4000	400000		
Number of shares outstanding at the end of the	<u>5000</u>	<u>500000</u>	<u>1000</u>	<u>100000</u>
d) Shares held by holding Company, Anant Raj Industries Ltd. i) 5000 (1000) Equity Shares		5000		1000
e) Shares in the company held by each share holder holding more than 5% shares <u>Name of Shareholders</u> 1) Anant Raj Industries Ltd. a) Number of equity shares held % of shareholding		5000 100%		1000 100%
2	<u>RESERVES AND SURPLUS</u>			
	<u>Profit & Loss Account</u>			
Opening Balance (Negative)		80,058.87		62,554.67
Add: Loss during the year		<u>4,459.18</u>		<u>17,504.00</u>
Closing Balance (Negative)		<u>84,517.85</u>		<u>80,058.67</u>
3	<u>LONG TERM BORROWINGS</u>			
Unsecured Loans from Holding Company Long Term Borrowings		<u>15,700,000.00</u>		<u>50,000.00</u>
1) Loans & advances from Related Parties Unsecured From Holding Company		<u>15,700,000.00</u>		<u>50,000.00</u>
- The Above loan is not granted by Directors/Others				
- Term of Repayment Interest Free				
- Long Term Loan				
- As on Balance Sheet Date there is no default in payment of loans & interest .				



4 OTHER CURRENT LIABILITIES		
Expenses Payable	<u>17,852.00</u>	<u>16,352.00</u>
5 FIXED ASSETS		
Tangible Assets		
Building (Flat)	<u>16,050,100.00</u>	<u>-</u>
(Acquired during the year)	<u>16,050,100.00</u>	<u>-</u>
6 CASH AND CASH EQUIVALENTS		
Cash in Hand	1,540.00	1,540.00
Bank balance in current account with Centurian Bank	<u>80,518.34</u>	<u>24,753.33</u>
	<u>82,058.34</u>	<u>26,293.33</u>
7 SHORT TERM LOANS AND ADVANCES		
Other Loans & Advances	<u>-</u>	<u>60,000.00</u>
	<u>-</u>	<u>60,000.00</u>
8 OTHER CURRENT ASSETS		
Advance Tax (TDS)	<u>1,175.81</u>	<u>-</u>
9 OTHER INCOME		
Interest received from FDR	<u>11,755.72</u>	<u>-</u>
10 OTHER EXPENSES		
Filing Fees	8,952.00	13,452.00
Legal & Professional Charges	1,932.00	552.00
Bank Charges	330.90	-
<u>Auditor's Remuneration</u>		
Audit Fee	<u>5,000.00</u>	<u>3,500.00</u>
	<u>16,214.90</u>	<u>17,504.00</u>

11 Notes to Accounts

Accounting Policies and Notes on accounts

(A) Significant Accounting Policies

1 Conventions

The Accounts have been prepared Primarily under the historical Cost Convention and on the accrual basis of accounting

2 Investment

Investment in Subsidiaries are stated at cost and diminution in value of any is provided.



(B) Notes Forming part of accounts:

1 In the opinion of the Board of Directors all assets other than tangible assets and non current investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated .

2 The company is a wholly owned subsidiary of Anant Raj Industries Ltd. since all shares are held by Anant Raj Industries Ltd. and its nominees.

3 Related Party Disclosures

i. Name of related parties and description of relationship:

1. Holding Company Anant Raj Industries Ltd.

ii. Transactions with related parties

Particulars	Holding Company Rs.
Loan Received	16200000 (P.Y. 50000)
Loan Repaid	550000 (P.Y.NIL)

iii. Closing Balances with related parties:

Name of Transactions	Holding Company Rs.
Outstanding payable Anant Raj Industries Ltd.	15700000 (PY. 50000)

4 Segment Reporting

The company has no reportable Business or Geographical segment

5 Earning per Shares

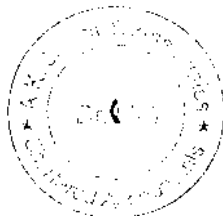
Particulars	2011-2012	2010-2011
Profit attributable in the Shareholders (A)	(4459.18)	(17504.00)
Basic/Weighted average number of Equity Shares outstanding during the year (B)	5000	1000
Nominal Value of Equity Shares	100	100
Basic /Diluted Earnings per Shares (A/B)	(0.89)	(3.50)

6 Previous year figures have been regrouped wherever found necessary .

7 Signature to the above Schedules which form an integral Part of the Balance Sheet and Profit & Loss Account.

Place : Delhi

Dated:07.05.2012



DIRECTORS

Sharda Sarin
(Sharda Sarin)
Rajeev Nakra
(Rajeev Nakra)

SAFFRON VIEW PROPERTIES PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

Particulars	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extraordinary Items	(4,459)	(17,504)
Adjustment for:		
Depreciation	-	-
Interest paid	-	-
Interest received	-	-
Operating profit before working capital changes	(4,459)	(17,504)
Adjustment for:		
Inventories	1,500	12,852
Sundry creditors and other payables	60000	-
decrease in short term advances	-	-
Cash generated from operations	57,041	(4,652)
Taxes Paid Including TDS	1,176	-
NET CASH FROM OPERATING ACTIVITIES	(A) 55,865	(4,652)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions to fixed assets including project in progress	(16,050,100)	-
Capital Advances for Property Purchase	-	-
Interest received	-	-
NET CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES	(B) (16,050,100)	-
C. CASH FLOW FROM FINANCE ACTIVITIES		
Proceeds from issue of Share Capital	400,000	-
Proceeds from Share Premium on issue of share	-	-
Increase In long term borrowings	15,650,000	19,500
Interest paid	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	(A+B+C) 55,765	14,848
Cash and cash equivalents opening balance	26,293	11,445
Cash and cash equivalents closing balance	82,058	26,293

Note: Figures in brackets indicate cash outflow.



This is the cash flow statement referred to in our report of even date

For A K Jindal & Associates
Chartered Accountants


Ashok Gupta
Partner



Place New Delhi.
Date 07.05.2012

Director 

Director